

Iraq Defiance Gets Stiff UN Response

Security Council Calls Freeze On Inspections 'Unacceptable'

UNITED NATIONS, New York — The Security Council on Thursday declared Baghdad's freeze on cooperation with UN weapons inspectors "totally unacceptable" and called for an "urgent resumption" of dialogue between the inspectors and Iraq.

Kofi Annan, the UN secretary-general, called Baghdad's move a "violation of Security Council resolutions and the memorandum of understanding."

He was referring to the agreement he extracted from President Saddam Hussein in February, the last time Iraq cut off the inspectors. That agreement averted military conflict with Britain and the United States.

Mr. Annan said he believed that the current crisis with Iraq could be resolved peacefully, however.

"I don't think we will need military forces," Mr. Annan said in response to a

question after he attended closed-door Security Council discussions on Iraq's decision.

"It might be helpful to engage the Iraqis much more closely than we have hitherto done," he said, urging that their concerns be heard.

The secretary-general said he had spoken with Tariq Aziz, the deputy prime minister of Iraq, and that the Iraqi position was "not a closed one."

Talks over inspections broke down Monday when the chief UN weapons inspector, Richard Butler, refused to supply an immediate certification that Iraq had destroyed all of its weapons of mass destruction — chemical and biological arms and long-range missiles.

Such a testimonial is necessary for the Security Council to lift economic sanctions imposed in 1990 after Iraq's invasion of Kuwait. The sanctions have crippled the Iraqi economy by banning the free sale of oil, the country's economic mainstay.

Mr. Butler has said that he was close to giving such approval regarding Iraq's chemical and missile programs but that he needed more information on biological weapons.

The U.S. ambassador to the United Nations, Bill Richardson, welcomed the Security Council statement, which was agreed to unanimously.

"The United States is very pleased with the outcome of the meeting," Mr. Richardson said. "We were also very pleased with the forcefulness of the secretary-general's briefing."

Making good on its threat Wednesday to limit arms inspections, Iraq on Thursday banned surprise checks by the UN nuclear agency and stopped a team of weapons inspectors, telling them they could "monitor" only sites that had already been checked.

Iraqi escorts refused Thursday to accompany the inspectors.

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Congo Rebels Capture Port In the West, Widening War

By Howard W. French
New York Times Service

ABIDJAN, Ivory Coast — Anti-government rebels in Congo seized control Thursday of a strategic oil port town in the far western part of the country, according to rebel spokesmen and foreign diplomats, significantly widening their campaign to wrest power from President Laurent Kabila.

The seizure of the town, Moanda, an important oil depot southwest of Kinshasa, along with the neighboring city of Banana, confirms the dramatic opening of a second front in a five-day-old war that until now had been largely confined to the country's far-eastern regions.

On Tuesday, the Congolese government said the rebels hijacked a Boeing 707 aircraft in the eastern part of the country and flew it 1,600 kilometers (1,000 miles) west, to the town of Kiriwa, where soldiers from the defeated army of the late President Mobutu Sese Seko were being retrained for service in Mr. Kabila's army by trainers on loan from neighboring Rwanda.

Although it has consistently denied any involvement in the current fighting, according to Western diplomats, Rwanda, which backed Mr. Kabila's overthrow of Mr. Mobutu 15 months ago, has emerged as a major backer of the new anti-Kabila rebellion.

In his first public appearance since the outbreak of the rebellion in the eastern border cities of Goma and Bukavu on Sunday, Mr. Kabila threatened at a news conference in Kinshasa to "take the war back to Rwanda, where it came from."

Relations between Mr. Kabila and his former allies have broken down over a number of issues that once united them, including Mr. Kabila's gradual marginalization of Congolese Tutsi — the ethnic cousins of Rwanda's own leaders — in his government, and the failure to suppress anti-Rwandan guerrilla activity in eastern Congo.

Responding to Mr. Kabila's threat Thursday, a Rwandan government spokesman told the BBC: "Aren't they putting the cart before the horse? Hadn't they better take care of their problems with the rebels?"

The opening of a western front so near to Kinshasa comes as bleak news to Mr. Kabila, who has already lost nearly all of the international friends — from Washington and other Western capitals to many of the leaders of central and southern Africa — who supported his armed drive for power.

Although heavy fighting was said to be still under way in areas southwest of the capital, any consolidation of their position in the southwest by the insurgents would enable them to interrupt electricity supplies from the huge Inga dam nearby and stop food and fuel deliveries to Kin-

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Newstand Prices		
Andorra	10.00 FF Lebanon	11.3,000
Antilles	12.50 FF Morocco	16 Dh
Cameroon	1.600 CFA Cote	10,00 QR
Egypt	EE 5.50 Reunion	12.50 FF
France	10.00 FF Saudi Arabia	10 SR
Gabon	1.100 CFA Senegal	1.100 CFA
Italy	2.800 Lire Spain	225 Ptas
Ivory Coast	1.250 CFA Tunisia	1,250 Dh
Jordan	1.250 JD U.A.E.	10.00 Dh
Kuwait	700 Fils U.S. M.	(Eur.) \$1.20



Monica Lewinsky arriving at the courthouse Thursday.

Lewinsky Testifies Before Grand Jury

At the White House, Business as Usual

By Brian Knowlton
International Herald Tribune

WASHINGTON — The investigation that has gripped Washington for months entered its endgame Thursday, as a solemn Monica Lewinsky, encircled by uniformed U.S. marshals, was whisked into a federal courthouse here to answer questions about her alleged sexual relationship with President Bill Clinton.

Ms. Lewinsky, 25, smiled wanly, appearing visibly nervous as she climbed out of a shiny black sports-utility vehicle. She wore a dark blue suit and a white blouse.

She was silent as she entered the courthouse through a side entrance, amid a furious whirling of shutters from a sea of tripod-mounted, long-lensed cameras camped yards away. More than a hundred reporters and cameramen were on hand, some from Europe and Asia. Their trucks, vans and satellite dishes lined Constitution Avenue for a block; their cameras and white-topped tents filled the sidewalks.

Inside, Ms. Lewinsky was allowed to use a back elevator normally reserved for judges. Grand jury deliberations are secret, and there was no indication of what Ms. Lewinsky said Thursday. But she was expected to tell prosecutors and the 23 grand jurors that she

and Mr. Clinton had had a sexual relationship, beginning when she was a 21-year-old intern at the White House, and that he had discussed in hypothetical terms ways for her to conceal it.

The independent counsel Kenneth Starr is examining serious charges of perjury, subornation of perjury and obstruction of justice against Mr. Clinton, who has denied any wrongdoing.

Prosecutors leading the questioning Thursday did not include Mr. Starr himself, court sources said. The independent counsel is said,

Lewinsky emerges from seclusion. Page 3.

however, to want to complete Ms. Lewinsky's questioning quickly, perhaps in three days or less.

On what potentially was a day of peril for the Clinton presidency, aides at the White House described a business-as-usual atmosphere.

Mr. Clinton, appearing relaxed and composed, spoke to a Rose Garden gathering about gun control. When his speech ended, the Marine band burst loudly into music and a smiling Mr. Clinton, turning to shake hands with the uniformed police officers behind him

See CLINTON, Page 12

House Panel Cites Reno in Election Fund Inquiry

The Associated Press

WASHINGTON — A House committee voted Thursday to cite Attorney General Janet Reno for contempt of Congress for failing to turn over reports recommending that she seek an independent counsel to investigate campaign fund-raising abuses.

The panel moved to the extraordinary confrontation on a 24-19 vote. All Republicans supported the motion. Eighteen Democrats plus Bernard Sanders of Vermont, an independent, opposed it.

"The committee has a need to see these documents," said Representative Dan Burton, Republican of Indiana, chairman of the House Government Reform and Oversight Committee.

Representative Henry Waxman, Democrat of California, denounced the action as "political theater."

"This odious threat of contempt is beneath contempt," he said.

Mr. Burton said a vote by the full House on the panel's recommendation to cite Ms. Reno for contempt would not

come before Congress's August recess, and he held out hope that Ms. Reno would turn over the reports before then.

The committee's insistence that she turn over the two memos, Ms. Reno later told reporters, constituted "a form of political tampering that no prosecutor in America can accept" and could jeopardize the ongoing investigation.

"We will try our level best to see that an accommodation is reached," Ms. Reno said.

"But I simply have to draw a line and stand up for what I believe to be a very important principle: Prosecutions in America must be free of political influence."

If the House approved the contempt citation, the matter would go to the U.S. District Court for the District of Columbia to determine whether a contempt order should be issued. If the court issued a contempt order, Ms. Reno could be subject to a year in prison and a \$10,000 fine.



HORSE CHARGE — An Israeli mounted policeman knocking down an ultra-Orthodox protester Thursday, sending his hat flying, as a group sought to obstruct road building on the site of ancient graves.

AGENDA

As If You Didn't Know This Already...

WASHINGTON (AFP) — Two American scientists have confirmed what many workers already knew: It rains more on weekends.

Their statistics, published Thursday

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The Internet Pages 4, 9
The IHT on-line www.ihf.com

in the British scientific journal Nature, showed 22 percent more rainfall on Saturdays than on Mondays.

Randall Cerveny and Robert Balling, Arizona State University climatologists, said pollution has a direct impact on Atlantic Coast precipitation.

They said coastal rain levels increase between Thursdays and Saturdays and start leveling off Sundays.

"The human week is not a natural time period," said Mr. Balling. "Human effect on weather is the only explanation."

The Dollar			
	Thursday @ 4 P.M.	previous close	
New York	1.772	1.7695	
DM	1.772	1.7695	
Yen	144.275	143.95	
FF	5.942	5.9335	
Pound	1.6348	1.6365	
The Dow			
	Thursday close	percent change	
Dow	8,577.68	+ 0.36%	
S&P 500	8.21	+ 0.76%	
Nasdaq	1,099.84	+ 0.76%	
	41.31	+ 2.32%	

Asia Is Not the Only Place Carmakers Face Trouble

By John Schmid
International Herald Tribune

FRANKFURT — Blindsided by economic recession across Asia this past year, North American and European carmakers now are facing contractions in their home markets, analysts and industry executives say.

"The golden years are over," said Robert Halver, an analyst in Frankfurt for Delbruck & Co.

Such a pullback after seven years of growth could hasten the wave of mergers and acquisitions among automakers, particularly in the crowded European car sector, analysts say.

Bernad Pischetsrieder, chairman of BMW, was among the first executives to issue a warning. The German car market — the biggest in Europe — has just peaked, he told German media, adding that the U.S. auto market would enter a "crisis" by the year 2000.

Analysts generally agree with him, particularly over the expected downturn in the United States. Not all predict a full-blown "crisis," but some expect car sales to drop by as much as 6 percent to 7 percent next year from the current

level of about 15 million vehicles.

"It is widely felt among investors that the next move in the U.S. vehicle market will be down," said John Lawson, an analyst in London with Solomon Smith Barney. "The fact that Mr. Pischetsrieder said it gave it greater credibility."

In Europe, where government incentives in nations such as Italy have expired, Juergen Roethig at the Frankfurt

Mixed German jobs data. Page 13.

bank B. Metzler & Co. estimates that "the downturn in 1999 will exceed 3 percent in volume" from about 13.5 million vehicles currently.

Figures released Thursday show that the looming U.S. downturn already is playing a role in the proposed Daimler-Benz takeover of Chrysler. In a filing, with U.S. regulators, the companies said that Daimler's pretax earnings would more than triple, overtaking Chrysler's within two years. Analysts attribute the discrepancy to the conditions in the respective home markets.

See AUTOS, Page 8

Rebuke to Arafat: 2 Quit

Leadership of Palestinian Authority Is Assailed

By Douglas Jehl
New York Times Service

JERUSALEM — In a fresh sign of dissatisfaction with Yasser Arafat's governance, two of his cabinet ministers resigned Thursday to protest what they said had been the Palestinian leader's failure to address internal problems within the Palestinian Authority.

The resignations came a day after Mr. Arafat stunned many members of the

Palestinian Legislative Council by unveiling a long-postponed cabinet shuffle that failed to address their calls on him to root out graft and mismanagement.

One who resigned was Hanan Ashrawi, one of the most prominent Palestinians on the international stage. The other was Abdul Jawad Saleh, who had voiced discontent with Mr. Arafat before but who went on Thursday to accuse the Palestinian leader of blocking his own efforts to crack down on corruption.

"When I fought corruption in my own ministry, I referred some of the high-ranking officials to the attorney general," Mr. Saleh, former agriculture minister, said. "The chairman himself interfered to stop any legal proceedings against them."

Mrs. Ashrawi said that her relationship with Mr. Arafat was "based on mutual respect" but complained that changes within the Palestinian authority meant that "decision-making has in a sense been reduced to a few people."

The resignations were a new blow to Mr. Arafat's prestige, which has suffered since his return from exile in 1994 to become chairman of the Pal-

See MOTHER, Page 12

See PALESTINE, Page 12

50 Years After Her Babies Died, a Mother Is Arrested

By John J. Goldman
Los Angeles Times Service

NEW YORK — For decades it was a great medical mystery — how eight young children from one family could die so suddenly and so swiftly. One by one, limp and blue in the face, they were rushed too late to hospital emergency rooms.

Some coroners suspected it was heart failure or crib death, now known as sudden infant death syndrome. Autopsies seemed inconclusive. But other medical examiners and detectives suspected, sometimes privately, that it was something far more sinister.

After a Life magazine story in 1963, Marie Noe —

a Philadelphia housewife and part-time factory worker — became for a time perhaps the most famous bereaved mother in America.

On Wednesday, murder charges were brought against Mrs. Noe, now 70. She was accused of suffocating eight of her 10 children, beginning half a century ago.

Her other two infants died of natural causes, authorities said.

"For years, it was treated as unexplained," said Philadelphia's district attorney, Lynne Abraham, who announced the indictment for first-degree murder.

"What really is telling," she said, is that "our refusal or our unwillingness to believe moms kill their chil-

dren may have played a role in this. We really don't want to believe moms can kill their kids."

Mrs. Noe has given a statement, the district attorney said. "She admitted she smothered four of the eight. The other four, she said she either didn't remember how the children died, or the specifics of how they died."

David Rudenstein, a lawyer for Mrs. Noe, said she had denied the charges.

Police said Mrs. Noe's husband, Arthur, a machinist who also held low-level political jobs, was not at home at the time of any of the deaths. He was not charged.

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THE AMERICAS

Lewinsky Slowly Sheds Her Surreal Seclusion

Start of Testimony Is Step Toward Freedom

By Peter Baker
Washington Post Service

WASHINGTON — She likes antiquities, but what Monica Lewinsky wanted for her 25th birthday was not so simple. "My freedom," she told friends and relatives. "My life back." So she got a special treat as she celebrated two weeks ago: A pair of old friends secretly visited her at her father's Brentwood, California, home.

For the central figure in a presidential scandal, it was a rare gift. Over the last six months, she could not so much as call up a girlfriend for fear that her phone might be tapped or the friend subpoenaed. Once when she tried, a former schoolmate soon found herself talking with the grand jury.

Thursday marked the beginning of the end of her life of surreal seclusion.

Exactly 202 days after investigators confronted her at the Ritz-Carlton at Pentagon City in Northern Virginia, Monica Samille Lewinsky's day in court arrived, her chance to say under oath what level of intimacy she had had with President Bill Clinton and whether or not he in any way sought to thwart the legal process in the Paula Jones sexual harassment lawsuit.

Ms. Lewinsky's appearance before the grand jury called by the Whitewater independent counsel, Kenneth Starr, came after a half-year odyssey that made her the nation's most famous former intern and exposed virtually every corner of her life to public examination, from her purported sexual habits to her troubled family history to her youthful indiscretions. It has been a journey that some might say was of her own making, but one that she certainly never fully anticipated.

She has been called a tart, a bimbo, a stalker, a femme fatale. Her first lawyer told anyone who would listen that she was immature and would "tend to embellish." Some people who once were her friends have gone public disclosing her confidences.

While much of her daily life during the investigation has been shrouded from the public, six months of interviews with people close to her provide a glimpse of her current reality.

Holed up in her Watergate apartment for days at a time, Ms. Lewinsky has read scores of newspapers and watched hours of television as people who have never met her speculated endlessly on talk shows and in the daily press about who she is and what she did. The urge to fight back had to be suppressed, although the anger at the friend who turned her in to Mr. Starr, Linda Tripp, has only grown.

Friends were paraded through the grand jury. Her mother broke off her own testimony in February, saying she was too distraught to continue. Inves-

tigators scoured her phone bills, rummaged through her closets, read her letters and e-mail, obtained her bookstore purchases and searched her computer.

What Ms. Lewinsky kept from them, until recent days, was the navy blue dress now being tested by the FBI for semen stains. The dress was brought to New York late last year by Ms. Lewinsky as she was job hunting and was left — never unpacked — in the Manhattan apartment of her mother, Marcia Lewis.

Ms. Lewinsky finally turned it over last week as part of a deal that provided full protection from prosecution for not only herself but also Ms. Lewis and her father, Bernard Lewinsky.

Since the day her name first became public in January, Ms. Lewinsky has lived an odd double life, according to people close to her — at once exceedingly public yet also achingly lonely.

She smiled for the cameras that followed her everywhere. She posed for Vanity Fair magazine, a session arranged by her then-lawyer, William Ginsburg, to free her imprisoned "libido," as he put it.

But that belied the depressing isolation imposed on her by her new legal team of Washington veterans, Plato Cacheris and Jacob Stein, who have instructed her not to talk with virtually everyone other than lawyers and relatives.

She was advised not to use the gymnasium at the Watergate because people might take photos and sell them to tabloids. While she escapes at times in a blond wig, sunglasses and baseball cap, she leaves it to friends and surrogates to buy her groceries or personal items.

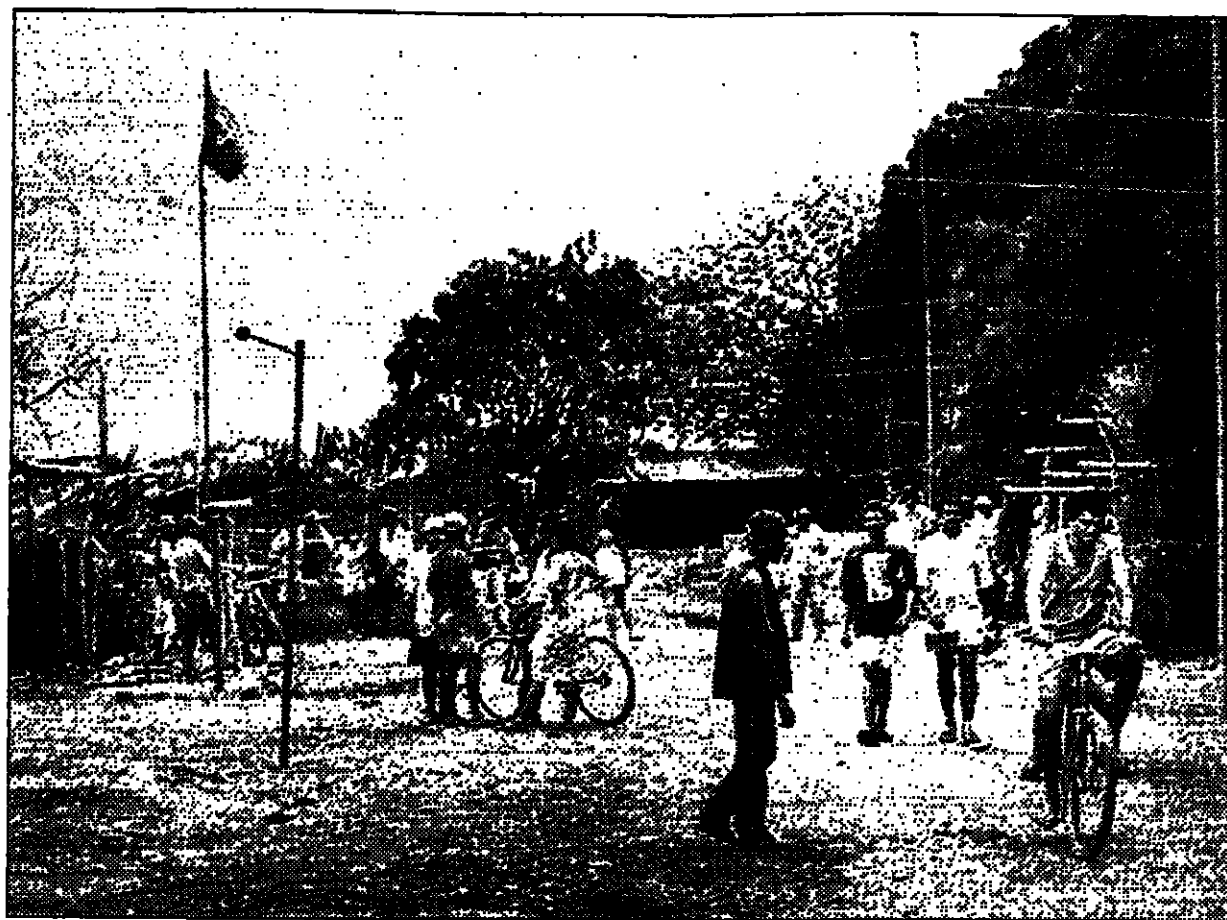
While her lawyers were negotiating to save her from possible perjury or obstruction of justice charges, Ms. Lewinsky took up knitting scarves, with help from her father's wife, Barbara.

She was not able to attend her mother's secret wedding in New York last spring because the family feared that she would be spotted and media cameras would crash the small, private affair.

Her parents are reported to be handling her six-figure legal bills.

Ms. Lewinsky has escaped several times to her father's place near Los Angeles, where media coverage has been less intense. Traveling, though, is still an adventure. In addition to the disguises, Ms. Lewinsky's camp usually consults with airline special service officials, makes reservations under false names and then switches them just before boarding to comply with federal regulations.

After her meeting with prosecutors in New York last week that led to her immunity deal, she and the family spokeswoman, Judy Smith, drove all night to Washington to sign it because the airports and train stations were reported to be stalked out by camera crews.



Settlers in an encampment in Brazil, called Agroisa, which was taken over by Sem Terra three weeks ago.

Bringing Hope to Brazil's Landless

Using the Constitution, Movement Helps the Poor Found Settlements

By Anthony Faiola
Washington Post Service

NOSSA SENHORA DA CONCEIÇÃO ENCAMPMENT, Brazil — Rose Marie da Silva recalls being cold, hungry and desperate the morning that she and 200 others invaded this once-thriving ranch on the São Francisco River. It was hours before the land's legal owner discovered the squatters' makeshift tents and by then they were firmly dug in. Now, months later, their settlement has a name — and, they hope, a sense of permanence.

"Nothing will get me off this land now," said Mrs. da Silva, 34, who added that for the first time in her life she feels like a landowner.

The land invasion here in the poverty-stricken northern region called the Sertão, which took place last summer, was orchestrated by one of the most active and controversial forces in Brazil's political life: the Landless Movement, known in Portuguese as the Sem Terra.

Some consider the Sem Terra a group of dangerous insurgents because of the passions they have ignited in Brazil's estimated 2 million landless families, many of whom are returning to the countryside after trying unsuccessfully to carve out lives for themselves in the mega-cities of São Paulo, Rio de Janeiro or Recife.

The movement's growing numbers are prompting headlines across Latin America as they organize marches on the capital, invade land held by the wealthy, hijack food trucks and stage takeovers of banks and government offices in their own brand of economic vigilantism.

"We agree that there must be land reform, but the Sem Terra have a complete lack of respect for the law," said Luiz Hasers, president of the Brazilian Rural Society of Landowners. "Their path of reform is the path of chaos and madness."

Yet, there is method in their "madness." To justify its actions, the Sem Terra, which grew out of radical elements of the Roman Catholic Church in the 1980s, use Brazil's updated constitution, which mandates that unproductive land can and should be taken over by those willing to cultivate it.

Although its members sometimes have been accused of invading productive property, the Sem Terra mostly tar-

get land that the rich have abandoned. In the 1990s alone, the group has staged more than 518 invasions, settling 151,427 families on 53 million acres (21.4 million hectares). Many Brazilians regard the squatters as heroes, modern-day Robin Hoods in a nation where 4 percent of the people own 50 percent of the arable land.

At more than 600,000 members, the Sem Terra is one of the most powerful grass-roots political movements in Latin America and has become an international cause célèbre, attracting dona-

"I fought for this land, and look, I have my dream — a house and a little piece of land that is mine," says Jose Ferreira de Lima, 47, a Sem Terra farmer in Saffra. "I am the owner of myself now."

tions from Europe, North America and beyond. And despite its propaganda, which runs to Che Guevara posters and emblems reminiscent of old Soviet farm collectives, its ideology is closer to capitalism than communism. Invading families work for ownership of land, not as members of a commune.

At the national level, the movement's university-educated leaders have turned the Sem Terra into a fashionable brand name, winning the hearts of millions, and earning substantial profits, with Sem Terra teas, gourmet coffees, T-shirts and souvenirs.

"We are trying to right the wrongs of Brazil's past," said Neuri Rosseto, a Sem Terra national director. "We are redistributing wealth because the government won't."

Their latest battleground is here in the Sertão, a poverty-stricken region that is experiencing one of the hemisphere's most severe food shortages. Unlike most of this lush, tropical country, the Sertão is harsh and dry. Its soil is almost like desert sand, yielding its nutrients only with man-made irrigation systems that the poor residents, descendants of African slaves, American Indians and Portuguese laborers, cannot afford.

The region suffers drought seven months a year, and subsistence farmers live off the sprinkles that follow. But the weather phenomenon known as El Niño has prolonged the drought for 18 months, with no end predicted until December.

Coupled with a shortage of state-government food baskets, often handed out to peasants in exchange for votes, the situation has become desperate.

For that reason, Mrs. da Silva was an eager listener when the Sem Terra came to her desert town on a recruiting mission last year. Although off-duty police hired by land barons in the Sertão have killed several Sem Terra members since last year, Mrs. da Silva, like thousands of others, was willing to take a chance for what she termed dignity.

"We still don't have food every day, but we do have one thing," said Mrs. da Silva, her face serious in the scorching midday heat, as her children clung to her red cloth skirt. "We have hope. That's something I've never had since the day I was born."

Mrs. da Silva grew up without a home, sleeping under the stars with her parents, descendants of former slaves, who labored in the fields of a land baron in Pernambuco state. "I suffered during my childhood," said Mrs. da Silva, who is 34 but looks to be in her late 40s, about the average life expectancy for people here.

Life at Nossa Senhora da Conceição is not easy. The cluster of 71 families is suffering through one of the hardest stages of the Sem Terra settlement process. As lawyers fight to get them legally recognized, a process that can take up to three years, they live in a fetid village of open sewers and mud huts. They regularly are threatened by security guards working for the landowner.

More advanced camps of the Sem Terra have evolved into thriving communities, with their own schools, well-stocked medical clinics, irrigation systems and crops grossing millions of dollars annually.

In Saffra, a Sem Terra settlement only 20 miles (32 kilometers) away that was established in August 1995, the government has recognized residents as new landowners. They now have cement houses, tiny markets, irrigation systems and schools for their children.

"I never learned to write my name, but now my children are in school — and one of them wants to be a journalist," said Jose Ferreira de Lima, 47, a Sem Terra farmer in Saffra. "I tell him, 'Fight for it.' I fought for this land, and look, I have my dream — a house and a little piece of land that is mine. I am the owner of myself now."

POLITICAL NOTES

House Blocks Ban On Gays Directive

WASHINGTON — The House has soundly rejected a measure that would have blocked President Bill Clinton's directive banning job discrimination against federal workers who are gay.

In an emotional, heartfelt debate that prompted some conservatives to side with liberals, the House voted, 252-176, on Wednesday to cast aside the amendment, rejecting arguments that Mr. Clinton's measure would lead to affirmative action for homosexuals. The vote also revealed a degree of discomfort among some Republicans toward the party's recent radical salvo against homosexuality.

"If a person does an honest day's work for an honest day's pay, that's all I can ask," said Representative Tom Bliley, Republican of Virginia, who added that he "unequivocally opposes" discrimination.

The amendment, sponsored by Representative Joel Hefley, Republican of Colorado, was attached to a spending bill and would have undone a May 28 executive order by Mr. Clinton that adds homosexuals to the groups that may not be discriminated against in federal employment. The order sought to make uniform a federal employment policy that is already in effect at many agencies. (NYT)

Oil-Lease Plan

WASHINGTON — Seeking a balance between oil development and the environment, the Clinton administration announced Thursday it would open nearly 4 million acres of a federal reserve on Alaska's North Slope to oil development.

Interior Secretary Bruce Babbitt said that a portion of the most ecologically sensitive part of the reserve would be off limits to drilling, including a strip of coastal marshland that environmentalists consider critical for millions of migratory birds and other wild life.

"This is a good plan based on sound science," Mr. Babbitt said. "We have barred or limited oil and gas development in key environmentally sensitive areas."

He added: "At the same time, we will be allowing oil and gas development on almost 4 million acres."

Several oil companies, including Arco Alaska and British Petroleum, have expressed interest in drilling in the government reserve just west of the Prudhoe Bay oil fields.

Development of the reserve in far northern Alaska has been controversial for years. Conservationists fear that oil production will harm wetlands, lagoons and marshes that dot the reserve's coastal plain and each summer attract the migratory birds as well as caribou and polar bears.

But oil executives contend that the fields can be developed while at the same time protecting life and habitat. They also argue that unlike the Arctic National Wildlife Refuge farther to the east, the National Petroleum Reserve was set aside specifically for development 75 years ago. (AP)

Quote/Unquote

Andrew Kohut, director of the Pew Research Center for the People and the Press, speaking Thursday about the U.S. public's perception of Monica Lewinsky: "She's not well liked and she's not well believed. But when we ask who do you believe more, the president or Monica Lewinsky, it's a puzzler for most Americans." (AP)

AMERICAN TOPICS

The West's New Land Ethic

Outside dry, dusty Douglas, Arizona, Matt Magoffin, a cattle rancher, has been trucking water to half a dozen custom-built ponds and tanks on his 17,000-acre (6,800-hectare) ranch, a four-year-old effort to save a disappearing amphibian known as the Chinleana leopard frog.

A neighbor, Bill McDonald, works with herpetologists in the hills above his ranch to see if ridge-nosed rattlesnakes, an endangered species, are surviving fires set deliberately to regenerate desert grass. To the north, another rancher, Will Holder, does nothing to prevent a mountain lion from killing his calves. Instead, he markets the survivors as "predator-friendly" beef.

It is all, reports the Los Angeles Times, part of a new land ethic taking root in parts of the West, a mixture of altruism and self-preservation practiced by a small but influential group of "eco-ranchers."

Armed with science and foundation money, they hope to showcase a form of ranching that is both economically viable and environmentally desirable.

A ranchers group that includes Mr. McDonald and Mr. Magoffin has raised close to \$1 million to help protect rare frogs, snakes, birds and mammals.

Short Takes

After two decades of decline or stagnation, Catholic school enrollment is rising slowly. Nationwide, it is up 3 percent since 1992, to 2.65 million students, and more than 150 Roman Catholic schools have been built in the past 12 years. That compares with a loss of 3 million students and the closure of 4,200 schools from 1965 to the mid-1980s, according to the Washington-based National Catholic Educational Association. Educators attribute the renewal in part to growing discontent with public schools. The trend also is said to reflect a growing desire by parents to raise children in an unapologetically moral environment.

At the turn of the century, W.E.B. Du Bois, the black intellectual and civil rights pioneer, proposed an ambitious project: the creation of an Encyclopedia Africana, a comprehensive history of Africa and people of African descent that he hoped would help defeat racism by cataloging blacks' contributions to civilization. Nearly 90 years later, Mr. Du Bois's dream is about to become a reality.

In February, Microsoft and a team of scholars working under the Harvard professors Henry Louis Gates Jr. and K. Anthony Appiah will release a CD-ROM titled Microsoft Encarta Africana. Later in the year, a print version containing 3,000 articles will be published by Perseus Books. "There's never been anything like this before," Mr. Gates said.

Brian Knowlton

Is Pregnancy Dishonorable?

2 Students Who Are Mothers Sue Over Honor Society Exclusion

New York Times Service

COVINGTON, Kentucky — Two 17-year-old high school students who say they were denied membership in the National Honor Society because they were pregnant are planning to sue their school board in federal court here on grounds of sexual discrimination.

The American Civil Liberties Union, which is to file suit for the girls Thursday, says it sees the case as a way to seek wider enforcement of federal laws banning discrimination against pregnant high school students.

The two girls, Soner Chipman and Chastity Glass, both 17 and top students at Grant County High School in Williamstown, Kentucky, are caring for their daughters. They will soon be entering their last year at the school.

Ms. Chipman, whose 2-month-old daughter's name is Cheyenne, plans to marry the father, a 21-year-old worker at a shop that changes the oil in people's cars, on Friday.

Ms. Glass and her 15-month-old daughter, Shelby, live with Ms. Glass's mother. The baby's father, who just graduated, helps with child care and plans to join the National Guard.

Both girls, like many residents in their community, a rural, tobacco-growing area where alcohol sales are banned, say that premarital sex is wrong but that abortion would be a far greater sin.

Ms. Glass's lawyer, Sara Mandelbaum of the American Civil Liberties Union, described the case this way: "It's making a girl wear a scarlet P and bear the burden for something that is a joint activity. No boy is being left out of the society for having engaged in premarital sex."

Both girls have been exemplary students, earning top marks in such courses as "advanced placement" English and chemistry, and have won local and state awards. Ms. Chipman and Ms. Glass say membership in the National Honor Society has been a lifelong goal.

Away From Politics

• A day-old baby who was born in Milwaukee with her heart outside her body survived a five-hour operation to place the organ in its rightful place. Dr. Bert Litwin, who led four surgeons, was cautiously optimistic about the future of Jazmya Hope Stumpf, who was in critical condition. (AP)

• A hermit crab called Crabopatra won the Cucumber Rind Cup — plus the right to crawl down a flower-bedecked runway as more than 100 people sang "Here it comes, Miss Crustacean" in the annual Miss Crustacean pageant in Ocean City, New Jersey. The 39 entries also featured Leonardo DiCaprio and Tara Crabinski, which scurried on tiny paper skates in a shoe box decorated with aluminum foil to look like an ice rink. (AP)

• The 13 machinists and assembly technicians in Westerville, Ohio, who say they share the winning \$161.3 million Powerball lottery ticket have not quit their jobs and do not plan to soon — at least until someone can replace them. They have not even claimed their prize yet. The winners have 180 days from the July 29 drawing to present their ticket for validation. (AP)

• Orlando, Florida, tops the list of metropolitan areas most deadly to pedestrians, according to a study. Two other Florida city areas followed Orlando as the most dangerous for pedestrians: Tampa-St. Petersburg and Miami-Fort Lauderdale. The Los Angeles-Anaheim-Riverside region, because of its sheer size, had the largest number of pedestrian deaths and injuries, with 992 in 1996. (AP)

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THE WORLD'S DAILY NEWSPAPER

ASIA/PACIFIC

Japan Marks Atomic Attack And Deplores Asian Testing

HIROSHIMA, Japan — Thousands of people gathered Thursday in sweltering weather to commemorate the 53rd anniversary of the world's first use of an atomic bomb and also to urge India and Pakistan to halt their nuclear weapons programs.

Many in the crowd of 50,000 clasped their hands in prayer or held Buddhist rosaries as silence was observed at 8:15 A.M. — the time of the day the U.S. atomic bomb detonated and took the lives of 140,000 people, many of whom died over time from burns and radiation.

Three days later, another atomic bomb destroyed the city of Nagasaki, killing 70,000.

In the presence of the Indian and Pakistani ambassadors, Prime Minister Keizo Obuchi of Japan condemned the two South Asian countries' series of nuclear tests in May, which cast a pall over international efforts to curb the spread of nuclear arms.

"It is very regrettable that both India and Pakistan carried out nuclear tests in May," said Mr. Obuchi, who took office in June.

The mayor of Hiroshima, Takashi Hiraoka, used stronger language in telling the crowd that those tests had raised tensions in South Asia and shaken the foundation of the world's nuclear nonproliferation movement.

"The people in Hiroshima feel a strong rage against the nuclear tests by the two nations and worry about inducing a chain reaction of nuclear competition," he said.

In major Indian cities, scientists, writers, painters, students and workers demonstrated, warning that a devastation similar to Hiroshima's could happen in their region.

"Both India and Pakistan now have the capability to perpetrate the horrors of Hiroshima and Nagasaki on each other, not once but many times," said a resolution by activists in New Delhi.

"The people of India and Pakistan must stop this madness which threatens us with mutual annihilation," the resolution said.



Japanese praying Thursday in Hiroshima as commemorative lanterns float down the Motoyasu River.

Taleban Enemies Advance

KABUL — Fierce fighting has left about 100 fighters from the Taleban militia dead in northern Afghanistan, the opposition alliance said Thursday.

A spokesman, Abdullah, said alliance forces had recaptured territory from Taleban fighters near the alliance's key city of Mazar-i-Sharif and had taken control of the strategic town of Borka to the south.

A Taleban spokesman, Abdul Hay Muttayn, said he could not immediately confirm that the Islamic militia had lost ground in the fighting and had no information on casualties.

2 Held in Taiwanese's Death

BEIJING — Police in Haicheng, a city in north-eastern China, have arrested two suspects, identified as Huang Shidong and Zhang Shifeng, in connection with the July 27 kidnapping and murder of a Taiwan city councilor, a local Public Security Bureau official said Thursday.

The authorities said the suspects had kidnapped Lin Ti-chuan, 32, and her boyfriend along with two other men.

Citing a confession by Mr. Huang, the official Xinhua press agency reported that Li Guangzhi, a businessman still at large, had organized the abduction in an attempt to force the boyfriend, Wei Tien-kang, to repay a debt.

Things went wrong when Miss Lin began to suffer respiratory difficulties. She was taken to a hospital and when she died, Mr. Huang fled the scene. The boyfriend managed to escape unharmful.

"Police are now making all-out efforts to search for the other people who may be involved in the case," Xinhua said.

Kashmir Border Falls Silent

SRINAGAR, India — Artillery fire ceased Thursday for the first time in a week along most of the disputed Kashmir border.

India reported artillery fire only in Kargil, in the mountainous Ladakh region 220 kilometers (140

miles) northeast of Srinagar, the Jammu and Kashmir state summer capital.

"Pakistan carried on mortar and artillery shelling in the Kargil sector in early hours," said an Indian major, P. Purushottam. "So far, there have been no reports of any casualties."

For the Record

The citizens of Japan's ancient capital of Kyoto have rejected a plan to build a replica of the Pont-Neuf bridge in Paris, Mayor Yorioka Masumoto said Thursday. French President Jacques Chirac had proposed the footbridge when he visited Japan in November 1996.

Nicholas Leeson's lawyer has appealed to Singaporean authorities to free the imprisoned securities trader on compassionate grounds following the discovery that he is suffering from colon cancer. Mr. Leeson, whose futures dealings brought down the British merchant bank Barings, has served about two and a half years of a six-and-a-half-year term. (AP)

East Timor Talks Tied To Fate of Jailed Leader

Laureate Asks Indonesia to Release Him

CANBERRA — An East Timorese independence leader, Jose Ramos Horta, ruled out Thursday further talks on the future of the disputed region until a jailed resistance leader, Xanana Gusmao, is freed by Indonesia.

Mr. Horta, a Nobel Peace Prize laureate, welcomed an agreement reached Wednesday at the United Nations in New York between Portugal and Indonesia to open talks on autonomy for the former Portuguese colony. It was annexed by Indonesia after a 1975 invasion.

Australia is the only country that recognizes Indonesian sovereignty over East Timor.

Mr. Horta said he would take no part in negotiations until Mr. Xanana was released.

"They cannot pretend they are serious, that they want to solve the problem of East Timor and then do not wish to release Xanana Gusmao," Mr. Horta told Australian Broadcasting Corp. radio.

"Xanana is the only political leader

with real acceptance and credibility among the people of East Timor," he added. "Any decision without his involvement, his imprimatur — it will be rejected by the people of East Timor."

Australia's foreign minister, Alexander Downer, refused to support Mr. Horta's call and said that demands for a referendum on independence were irresponsible and could lead to further bloodshed in the territory.

Mr. Downer welcomed the talks, but said Thursday that he would not intervene to back Mr. Xanana's release.

"I'm not getting into trying to micro-manage this," he said.

"Horta is one important figure in all of this, there are a lot of other figures."

"We've been consulting over the last few weeks with a wide range of different leaders of what you might broadly describe as the East Timorese community, although a lot of them are overseas. There is a diversity of views."

Mr. Downer said he thought the most likely short-term option was wide-ranging autonomy. (AP, Reuters)

11 Mass Graves Reported

Eleven mass graves believed to hold the remains of about 500 people have been discovered in Indonesia's remote Aceh Province, a human rights group has said, The Associated Press reported from Jakarta.

Rufiadi, a lawyer with the Indonesian Legal Aid Foundation, said Wednesday that he and other activists were led to the graves during a visit last month to Indonesia's northernmost province, where a separatist rebellion has been going on since the late 1980s.

Villagers said the remains belong to people killed by Indonesian troops during the eight years the province has been under military rule. Mr. Rufiadi said in a phone interview. He said that some villagers reported they had been forced to dig the graves at gunpoint.

The Indonesian military has long been accused of arbitrary killing and torture in Aceh, a strongly Muslim province about 1,100 miles (1,780 kilometers) northwest of Jakarta.

There was no immediate comment from the military on the report of the mass graves.



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EUROPE

Fierce Fighting Reported in Kosovo

Despite a New U.S. Warning, Serb Forces Pursue All-Out Offensive

PRISTINA, Yugoslavia — Serbian forces pursued an all-out offensive Thursday against separatist fighters in Kosovo, despite a new U.S. warning of Western military intervention in the troubled Serbian province.

Serbian sources reported fierce fighting along the main Pristina-Prizren road southwest of Kosovo's capital, and clashes continued near the besieged village of Junik, close to the Albanian border.

Ethnic Albanians said Serbian forces were also shelling villages in the central Drenica region. Panina, an ethnic Albanian stronghold northwest of Pristina, was also under attack, the Albanian sources said.

Speaking late Wednesday, the U.S. envoy Richard Holbrooke said the likelihood of intervention had increased dramatically as the Serb offensive continues, contrary to a promise last month from the Yugoslav president, Slobodan Milosevic, to halt military operations against Kosovo Liberation Army rebels.

Citing the latest wave of Serb violence, which drove up to 200,000 ethnic Albanians from their homes, the leader of Kosovo's Albanians and officials in neighboring Albania issued fierce calls for outside intervention.

The pleas came as international sentiment remained split over a possible

military operation to try to halt the conflict, which Mr. Holbrooke said has entered an "extraordinarily dangerous new phase."

Also Thursday, the European Union approved \$5.5 million for Kosovo to help refugees fleeing the fighting.

Albright Assails Serb Tactics

Steven Erlanger of The New York Times reported earlier from Washington.

The Clinton administration has warned President Milosevic that his tactics are unacceptable and could prompt NATO air strikes against him.

Senior American officials said the warning was delivered as a personal message from Secretary of State Madeleine Albright to Mr. Milosevic by an American diplomat, Christopher Hill.

They emphasized that the North Atlantic Treaty Organization and the Pentagon were working quickly to finish plans for limited air strikes that could take place, if ordered, within a week or 10 days.

But since NATO has not carried out any earlier threats over Kosovo, Mr. Milosevic may not take this warning seriously. He already has accomplished his aim of striking a serious blow to the ethnic Albanian insurgency in Kosovo.

"The problem of the day is how to be credible," a senior American official

said. "But there is a lot of serious military planning now going on to create more realistic and flexible ways to use air power against Serb forces."

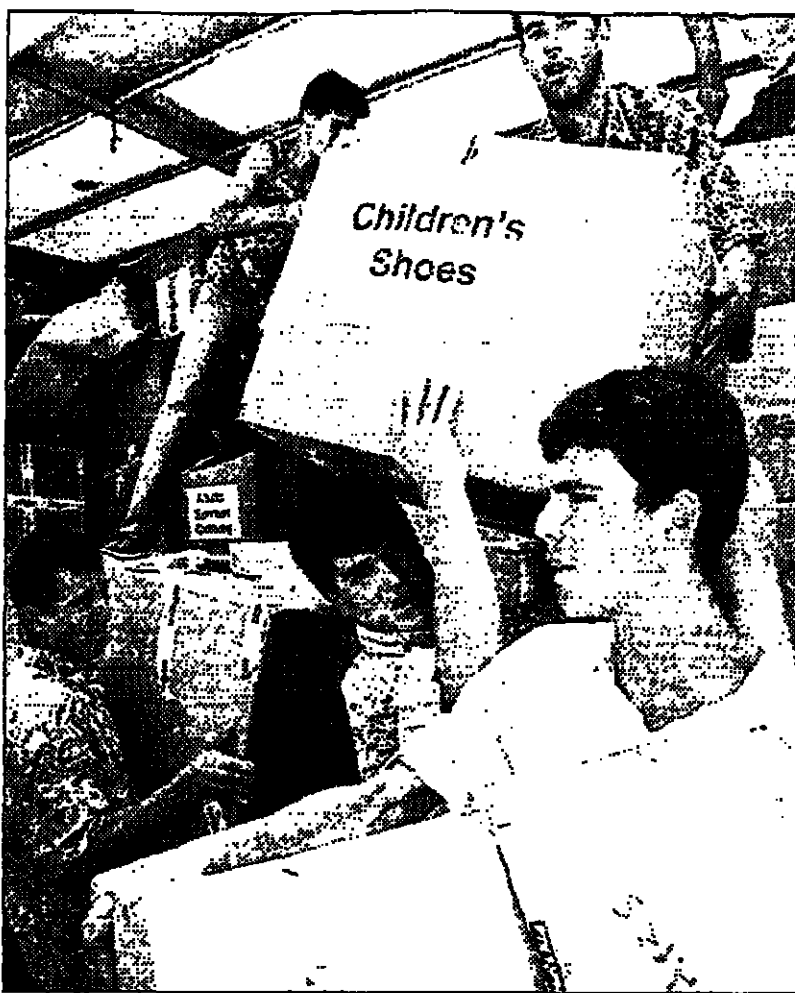
Mr. Milosevic is also likely to have taken heart by the removal from Kosovo policy of the American special envoy, Robert Gelbard, who advocated a tough line against the Yugoslav president.

Mr. Gelbard was ordered by the White House and Mrs. Albright to stick to Bosnia, officials said. They explained the shift by the approach of important countrywide elections next month in Bosnia, and said too much of Mr. Gelbard's time was being spent on Kosovo and not enough on Bosnia.

But some officials said Mr. Gelbard's shift was also a function of his sometimes impolitic advocacy of a tough stance toward Mr. Milosevic as the main destructive influence in the region, a stance that encompassed the threat of force.

But the White House has not been eager to get involved militarily in another part of the Balkans, its NATO allies are split and some of them want a UN Security Council resolution authorizing any action, which Moscow pledges to veto.

Kosovo policy is now more clearly in the hands of Richard Holbrooke, the nominee for chief delegate to the United Nations, and his longtime collaborator, Mr. Hill, now the ambassador to Macedonia.



Ethnic Albanian refugees unloading boxes from a UN humanitarian aid convoy in Lapshevo, a village southwest of Pristina, Kosovo's capital.

EU to Examine Report on Mass Kosovo Graves

Agence France-Presse

MADRID — The NATO secretary-general, Javier Solana Madariaga, firmly dismissed Thursday reports of mass graves in the war-torn southern Serbian province of Kosovo, but the European Union still wants a team of medical experts to make sure.

Speaking on a Spanish radio station, Cadena Ser, Mr. Solana said, "There are no mass graves of the type described in a newspaper."

Nevertheless, the EU asked Belgrade on Thursday to admit a team of medical examiners to Kosovo to verify that the graves do not exist.

"We want to say clearly to the Serbs, 'Allow our experts into Kosovo so that they can prove that there are no mass graves,'" said a spokesman for the Austrian foreign minister, Wolfgang Schuessel. Austria holds the rotating EU presidency.

The Austrian newspaper Die Presse reported Wednesday that journalists had seen "the bodies of more than 500 people, including 400 children," in one grave and about 1,000 bodies in another. The reports were subsequently denied by EU observers and a UN expert.

The author of the newspaper report has since admitted that he had not personally seen the graves and that the article was based on an "informant."

Flemish Leader Envisions a Confederated Future for Belgium

By Barry James
International Herald Tribune

BRUSSELS — Although doomsayers predict that economic and linguistic contradictions in Belgium will eventually cause the nation to fall apart, the political leader of the richer, Dutch-speaking northern half of the country says he has no interest in heeding the siren call of nationalism.

Luc Van den Brande, the minister-president of Flanders, says his region has everything it takes to be a nation: a population of 6 million, larger than that of some countries in the European Union, good infrastructure, high educational standards and a thriving economy based largely on high-technology industries.

"But is it useful in the new Europe to create new independent nation states?" he asked in an interview. "That is a 19th century concept. My only aim is to have a good position for the Flemings in the world and in Europe."

Mr. Van den Brande is also president of the Assembly of European Regions, and he maintains that the EU will develop increasingly along regional rather than national lines, particularly after

common currency is introduced in January.

This means, he said, that Flanders will increasingly seek to defend its economic interests outside of Belgium — in the southern part of the Netherlands, for example, in southern England and northern France — rather than in the French-speaking Wallonia in the southern half of the country.

This does not mean the Belgian partners must divorce. He said being in the same kingdom had added value in certain aspects. It made no sense, for example, for Flanders to have its own armed forces.

These questions will come to the fore next year when Belgium resumes constitutional talks and holds general elections. Mr. Van den Brande said he would push for the country to become a confederation of two autonomous regions. Thus if the Walloons choose to continue their policy of state involvement in industry, in contrast with Flanders' emphasis on private enterprise, he said, it will be entirely their affair. "We should each be free to go our own way," he said.

On paper, the Belgian regions already have a great deal of autonomy. They can, for example,

sign treaties and agreements with other states, and Flanders already has with Poland, Hungary, the Baltic states, Romania, South Africa and Chile. But the autonomy is illusory, as the national government raises taxes and redistributes income to the regions. Flanders raises only about 10 percent of its revenue from its own resources. "This is an irresponsible system," Mr. Van den Brande said.

Mr. Van den Brande's proposal for a confederal Belgium faces two challenges. One is from the Vlaams Bloc in the Flanders region, an ultra-nationalist party that Mr. van den Brande said he hopes will be wiped out in next year's elections.

The other more intractable difficulty is the situation of Brussels, a multicultural, predominantly French-speaking enclave in the middle of Flanders. The expansion of the population into surrounding Dutch-speaking suburbs, and the decision by Flemish authorities to make it more difficult for the French-speakers to deal with the administration in their own language, are causing conflict.

Brussels forms a separate region, with its own government for less than a million people. At the same time, the French- and Dutch-speaking com-

munities regard it as their capital and have their main government offices here. Yet in the evening, when ministries and offices close, the vast majority of the Flemish workers return to their homes in Flanders.

Wouldn't it make more sense to move the Flemish capital to Ghent or Antwerp? "No," Mr. Van den Brande replied. "Flanders needs Brussels, but Brussels would no longer be the capital of this country or even of Europe without Flanders." He rejected a proposal by Charles Pique, president of the Brussels region, that the city should become the official capital of Europe.

"It would become a foreign body," Mr. Van den Brande said. "It would disconnect a bridging element in this country."

Mr. Van den Brande's proposals for the future of Belgium run parallel with the developing debate within the EU about "subsidiarity," or who is responsible for what and at what level. It was not a question of creating a patchwork of regions, Mr. Van den Brande said, but of devolving political power to its most appropriate level.

"Unity in diversity is one of the pillars of European political union," he said.



Luc Van den Brande of Flanders favors a Belgium with no factions.

BRIEFLY

Legionnaires' Disease Kills 4 People in Paris

PARIS — Four people — three French and one British — have died of Legionnaires' disease in Paris since the beginning of June, French health authorities said Thursday.

They said that 20 cases of the disease have been reported. Thirteen of the victims were out of danger, while three remained hospitalized.

The outbreak in central Paris apparently occurred during the World Cup soccer championships, which ran from June 10 to July 12. Half of the 20 cases were contracted between June 15 and 21, a statement said.

Testing of water and selected air-conditioning units focused on Paris's ninth district, where 13 of the victims spent some time, and the second district, officials said. The ninth district covers the major department stores and the Opera Garnier, and attracts numerous tourists.

Officials suspect that the bacteria that cause the pneumonia-like illness proliferated in water-cooling tanks on top of buildings. (AFP, Reuters, AP)

French Official Faces Corruption Charge

PARIS — A former French defense minister, Francois Leotard, will be indicted Friday for money laundering and illegal financing of a political party, the daily Le Monde reported Thursday.

Mr. Leotard and an aide, the center-right deputy Renaud Donnedieu de Vabre, will be placed under judicial examination, the report said.

They are suspected of moving 5 million francs (\$830,000) between Luxembourg and Italy for Mr. Leotard's now-defunct Republican Party. (AFP)

'Blairizer' Is Cleared

LONDON — One of the most con-

troversial figures at the heart of Tony Blair's government, his unelected, state-paid press spokesman, was cleared Thursday of allegations of "Blairizing" the government.

In a report by a parliamentary committee that investigated his role, the majority of Labour Party members on the committee refused to criticize Alastair Campbell's methods of securing the government favorable coverage. (AFP)

Polish Cross to Stay

WARSAW — The Roman Catholic Church in Poland appeared Thursday to reject Israeli demands to remove crosses near the Auschwitz death camp.

Cardinal Jozef Glemp, the leading Catholic clergyman in the country, said he wanted to keep in place a large cross that was erected in memory of Pope John Paul's 1979 visit. But he gave no clue to the future of 50 smaller crosses recently planted by fringe Catholic groups. (Reuters)

Todor Zhivkov, 86, Deposed Bulgarian

By David Binder
New York Times Service

Todor Zhivkov, who as the Communist ruler of Bulgaria became the longest-serving leader in the Soviet bloc and one of the last survivors of the old guard, died Wednesday at the age of 86.

He ruled Bulgaria from 1954 until he was overthrown in 1989. Mr. Zhivkov slipped into a coma after being hospitalized July 8 with a respiratory infection, hospital officials told official BTA news agency.

He also had suffered from diabetes and other ailments in recent months.

Despite his high office, Mr. Zhivkov was a conventional party apparatchik and this, more than anything else, may have enabled him to endure the turmoil of Balkan politics and the periodic upheavals in the Kremlin, to which he paid fealty in his long career.

The only known threat to his rule was a failed coup in 1965 organized by a handful of party dissidents and some army officers, believed to be the first of its kind against a Communist regime.

Mr. Zhivkov said the coup was a pro-Chinese conspiracy. Others attributed it to the rigidity of his regime and his acquiescence to the Soviet Union.

In his heyday, Mr. Zhivkov boasted more than any other European Communist leader about his close ties with the Soviet Union, saying the countries "breathe with the same lungs, and the same blood flows in our veins."

This served him well through the three decades in which Nikita Khrushchev and Leonid Brezhnev ruled the Soviet bloc.

In the 1970s, a Bulgarian critic wrote

that Mr. Zhivkov had earned "the reputation of a Communist leader who had caused the minimum of trouble for the Soviet Union."

But in November 1989, as East European regimes were collapsing one by one, he was brought down with the blessing of the reform-minded Mikhail Gorbachev in Moscow in a bloodless push organized by senior officials in Sofia, including the chief of staff.

They recognized that the Communist system in which they had all grown up was doomed and that Mr. Zhivkov would be an obstacle to transition.

During Mr. Zhivkov's long tenure, he authorized a forced assimilation drive against Bulgaria's 1 million ethnic Turks in the 1980s, in which more than 100 were killed and 310,000 forcibly expelled.

In a campaign that aroused international condemnation, ethnic Turks were deprived of linguistic, cultural and religious rights. They were dismissed from jobs and rounded up at night, trucked to police stations, and forced to change their Islamic names into Slavic names.

Mr. Zhivkov was responsible for the construction in 1959 of concentration camps for political prisoners just as the Soviet Union was dismantling Stalin's network of camps.

He was also said to have been behind the poison-pellet killing in London in 1978 of Georgii Markov, a Bulgarian writer in exile who had made mocking broadcasts about Mr. Zhivkov for Radio Free Europe.

Many of Mr. Zhivkov's actions were parallel to those of virtually all other Soviet bloc leaders: brutal collectivization of farmlands in what had once

been a bountiful land; the installation of nuclear power reactors that had a Chernobyl-disaster potential; the opening of a huge steel factory that polluted the air of the valley of the Isker, including the capital, Sofia.

His legacy for his country of 9 million people included a foreign debt of \$10 billion.

The Zhivkov-era concentration camps were at Kojan, Bogdanov Dol, Belene Island in the Danube and Lovcha.

Disclosures of the camps' existence came in 1990, a few months after Mr. Zhivkov was ousted.

He was never tried for political crimes. Prosecutors concluded it would be too difficult to make charges stick. Instead, he was tried on charges of illegally spending the equivalent of \$24 million in state funds.

In 1992, after a trial that lasted 18 months, during which he was scornful and defiant, he was convicted of embezzlement and sentenced to seven years in prison.

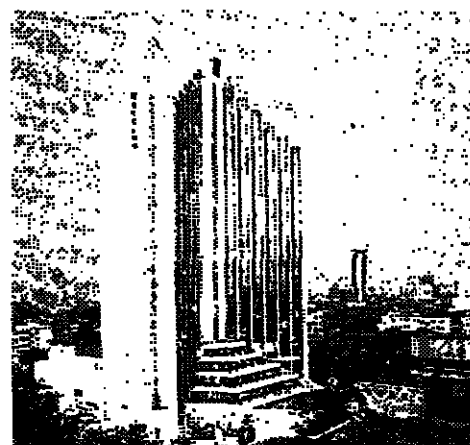
In deference to his heart problems and age, the middle-sized man with the long thin nose and the heavy jowls was allowed to serve his time under house arrest at the mountain home of his granddaughter overlooking Sofia, and even to make a foray to his birthplace in Pravets, northeast of the capital.

On that occasion, he bragged, "The whole country loves me."

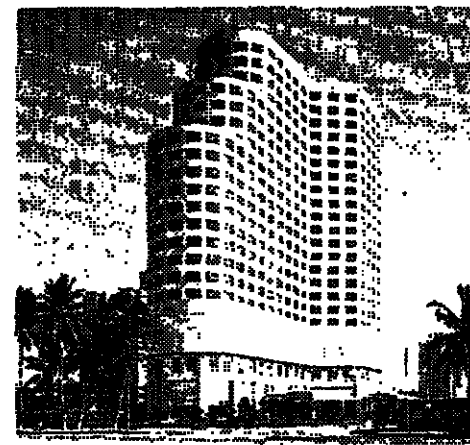
In February 1996, Bulgaria's highest court acquitted him of the embezzlement charges, although he remained under indictment on charges of human rights abuses.

In effect, Mr. Zhivkov got away with murder.

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EDITORIALS/OPINION

Herald Tribune

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Baghdad Must Comply

The UN Security Council now will consider the budding crisis brought about by Saddam Hussein's latest refusal to cooperate with UN inspectors looking to see whether he has in fact eliminated all his weapons of mass destruction. The challenge that the Iraqi leader is making to the United Nations and to the peace and security of his region has become familiar during the eight years since the Gulf War. It deserves an uncompromising response. Iraq must respect its obligation to make good on its disclosure and dismantlement pledges to the United Nations.

The new showdown follows from Saddam Hussein's rejection of a UN offer to accelerate the pace of inspection so as to bring closer the day, long sought by Iraq, to lift international sanctions on Baghdad. Instead, Iraq denounced the inspectors and ordered its work out.

Why would Saddam blow his best-ever opportunity to break the sanctions? One theory centers on Iraq's frustration over America's alleged but ununderscored raising of inspection standards. A second theory centers on Iraq's frustration that the United States was keeping it from its evident goal of getting the sanctions lifted without having to

abandon all its weapons of terror. To us, the second theory looks good. The burden never was on the United Nations to prove Iraq's treachery; it was on Iraq to prove by documents and disclosures its repudiation of its dirty weapons past. But look at what has happened just recently. In June, inspectors found traces of VX on shell casings. Iraq had said it never loaded this nerve gas on warheads. Last week the global nuclear inspectorate said it was unable to certify that Iraq has no nuclear weapons; Iraq has insisted that it has none.

The necessary full inspections can go forward only with Iraq's consent. But the sanctions can be ended only by the consent of the Security Council, where the United States has a veto. The Council members most interested in easing the sanctions should not be expecting the United States to ease Saddam's hand-tooled crisis by letting Iraq evade its disarmament obligations.

As for Kofi Annan, UN secretary-general, who personally negotiated a disclosure agreement with Saddam to deal with the crisis of last winter, the prestige of his office is at stake—not to mention that of his American sponsors.

—THE WASHINGTON POST

China Is Reforming

Over the last 20 years, China's army has become almost as formidable a force in the Chinese economy as it is in military affairs. Encouraged by the government to supplement official defense budgets with profits from army-owned businesses, the military developed a multibillion-dollar empire of some 15,000 companies, including clothing manufacturers, airlines and hotels as well as defense-related industries.

Last month, President Jiang Zemin ordered the army to sever its connections with these companies, with some of the lost revenues to be replaced by increased government spending. His initiative should reinforce China's economic and budgetary reforms, strengthen civilian authority over army leaders and create a more professional military, less likely to intervene in political affairs or complicate relations between China and the United States.

Having army-owned businesses sell defense equipment to the military in-

evited corruption. Army businesses also proved ideal conduits for smuggling, with their ability to move luxury goods undetected across borders. The financial cushion provided by these businesses also made military leaders dangerously independent of government control and individually rich and powerful.

Since consolidating power last fall, Mr. Jiang has put forward a surprisingly ambitious agenda of reforms, including closing unprofitable state industries, reducing government bureaucracy and, now, extricating the army from business. He has also encouraged a limited debate about introducing more democracy into China's authoritarian political system.

These are promising steps, pointing toward a better governed, more market-oriented and slightly freer China. China now has a leader with a reform plan and the political authority to put it into effect.

—THE NEW YORK TIMES

Let Reno Think It Over

Charles La Bella and Louis Freeh, the Justice Department's top authorities on campaign fund-raising abuses, have now testified publicly that federal law requires the appointment of an independent counsel to investigate allegations of financial abuses in President Bill Clinton's 1996 campaign. The reason, they explained, is that Attorney General Janet Reno has a conflict of interest that makes it impossible for her to supervise honestly an investigation of the man who appointed her.

The legal reasoning is correct and obvious to everyone but Ms. Reno. She has said that she needs three weeks to study the report drafted by Mr. La Bella, the former head of the Justice Department's campaign finance task force.

The attorney general should not need so long to master basic law, but we think it is better to give her the time than to hold her in contempt of Congress, as proposed by Representative Dan Burton, chairman of the House Committee on Government Reform and Oversight.

Two wise students of the Democratic campaign abuses, Senator Orrin Hatch and Representative Henry Hyde, favor giving Ms. Reno the re-

quested time so that she can think her way through this with the help of Mr. La Bella's 94-page report and a memorandum from Mr. Freeh, the director of the FBI.

Mr. Burton threatens the contempt action because he wants a look at those documents. But a confrontation over the reports would be unsound on legal grounds and counterproductive at a time when, thanks to Mr. Freeh and Mr. La Bella, the pressure is mounting on Ms. Reno to get out of the way and let an independent investigation proceed.

All that said, we can sympathize with Mr. Burton's frustration when Ms. Reno accuses his committee of proposals that would "risk creating a Justice Department and an FBI that lack to political winds instead of following the facts and the law."

Ms. Reno has given the nation a politicized Justice Department. Mr. Freeh and Mr. La Bella have given her reports that instruct her in how to straighten out that department. Everyone in Washington knows what the law requires. The Freeh and La Bella reports give Ms. Reno a reasonable, if belated, way to clean up her mistake.

—THE NEW YORK TIMES

Other Comment

Israeli Construction

During the past five years, Israeli construction in the West Bank and Jerusalem has doubled. And this has been coupled with more than 700 home demolitions by Israelis that have created great fear among many Palestinians.

The settlement and road construction in the West Bank and Jerusalem must be seen to be understood and believed. Settlements are now huge and sprawling cities that surround and engulf eastern Jerusalem.

Having lost their surrounding lands, and with new Jewish construction right up to their doorsteps, the tiny Palestinian villages in the environs of the

city have been swallowed whole by stone behemoths that will house tens of thousands of new settlers.

Where hills are not being razed for new housing construction, they are being cut through for massive superhighways. These new roads, with their tunnels and overpasses, accomplish two objectives. Most settlers can now take a new superhighway direct from their settlement to Jerusalem or Tel Aviv without ever crossing through an Arab village. And the roads cut the West Bank into ribbons so that the Arab areas are severed from one another.

—James J. Zogby, president of the Arab American Institute, commenting in the Los Angeles Times.

America and Iran Need to Get Together Patiently

By Flora Lewis

PARIS — Despite vague expressions of interest in improving relations, a Paris encounter between an American and an Iranian last week showed that there is still a very long way to go, and a very different view on each side of the history that led to rupture and hostility between the two countries.

The American, Barry Rosen, had been held as a hostage in the U.S. Embassy in Tehran for 444 days, which he remembered with obviously great distress. The Iranian, Abbas Abdi, was one of the students who directed the seizure of the embassy in 1979. They had not met since, and they managed to shake hands after a couple of hours of public debate, although Mr. Abdi refused to express any regrets for the forced imprisonment, saying, "Our whole nation was held hostage for 25 years."

The meeting was arranged by the Cyprus-based organization Centre for World Dialogue, one of the many non-governmental groups springing up around the world with the aim of finding ways to enable people to talk out their grievances when their governments can't. It revealed, in a subtle way, what must be a raging argument in Iran about opening up the country and making up with the United States.

Although he castigated the media for failing to report what was going on in

his country before the revolution, Mr. Abdi refused to say anything about what is happening now. He would not even say why he was imprisoned for eight months in 1993 and since 1996 has been banned from publishing or editing the newspaper with which he is still associated.

But he listed both punishments at the end of a long résumé otherwise full of his exploits on behalf of the Khomeini revolution.

Evidently, the pressures for relaxation have not gone far enough to make it safe to talk about them publicly abroad. But he did come, and, an ironic detail, he was the only member of the three-man panel who did not sport a traditional Islamic beard. The American panelist and the French mediator both did.

The exchange showed how much each side still misconstrued the history of their confrontation. Mr. Abdi said the students who invaded the embassy thought they would keep the hostages for a week at most, and that they would find support from American public opinion, which had forced the United States out of Vietnam.

It is clear that the prime motive for the seizure was not to challenge the United States but to force the resig-

nation of the Iranian prime minister and foreign minister, who, the Khomeini revolutionaries feared, might make a deal with the United States to overthrow them.

The mullahs had gained considerable power through the Mossadegh revolution in 1951, but they were ousted by a U.S.-backed coup which restored the shah's power in 1953. The memory still burns. Mr. Abdi said that if relations were resumed with the United States, it should be on the "pre-1953 basis."

Just before the hostages were taken, the then U.S. national security adviser, Zbigniew Brzezinski, had met the Iranian prime minister and foreign minister at a big anniversary celebration in Algiers. He told them, and repeated publicly, that the United States "has nothing against religion and Iran," so they could get along. Immediately on their return, the embassy crisis led to their overthrow.

But the United States took it as a direct assault. President Jimmy Carter said he would not go out of the White House Rose Garden to campaign until he had secured the hostages' release. Americans everywhere displayed yellow ribbons to show their sympathy with the diplomats. The Tehran students discovered to their surprise that they had a much bigger political

weapon than they had imagined, so they clung to it.

Meanwhile, Iraq's invasion of Iran mobilized national feeling and helped the Khomeini regime to consolidate. Iranians claim that the United States aided Iraq, which was not the case until late in the eight-year war when Iran seemed on the way to victory. There is every reason to believe that the push for modernization and moderation now delicately but visibly stirring in Iran would have begun a decade earlier but for Saddam Hussein's attack.

It is clearly a push from below, particularly from the young in support of President Mohammed Khatami, who first suggested starting cultural exchanges to warm up relations with America. But Mr. Abdi, who obviously agrees, showed by his reticence that too warm a response by Americans might hurt more than help his cause in the conflict with hard-line fundamentalists.

It is time for the United States and Iran to find a way to reconciliation. But grave past misreading of each other's intentions and expectations remains a barrier, and the cloudy situation in Iran makes assumptions of how best to go about it unwise at this point.

Goodwill is not enough when historic wounds still ache. Ignorance is a serious handicap.

Flora Lewis

Yes, Watch Asia's Crisis, but This Is No Time to Panic

By Richard Medley

NEW YORK — Eight times in the past three years the U.S. stock market has corrected sharply, and each time the correction has been a buying opportunity for investors and a Rorschach test for analysts who see what they most want to see in each downturn.

So far, we have heard that this summer's correction has been Lewinsky-based, earnings-based, technically overdue or the result of Venus transiting into Sagittarius.

Unfortunately, the only serious explanation is that more people want to sell stocks than want to buy them, and the downturn will not end until more people want to buy them than sell them.

So what do you do with that if you are Alan Greenspan? Keep your eyes on Asia and wonder why the fate of Western economies rests with two near octogenarians in Tokyo and a pascal of Communists in a Chinese resort town.

Unfortunately, the levers to keep American growth solidly on track are not in Washington. With the budget balanced, monetary policy on hold and private sector investment chugging along, the big risk is that officials might reflexively respond to a serious correction with a shift in policy.

In fact, we can all say a little prayer that Mr. Greenspan understands that "First, do no harm" applies to economics as well as to medicine.

It may be hard to remember, but last spring there was a push to raise interest rates by Fed hawks who concluded that the Asian crisis was past and had done America no harm.

Far from it. While the first wave of the Asian depression had beneficial effects, by keeping inflation and interest rates low, the second wave is not as

benign, as American manufacturers now know.

Right now, Asia has entered a critical phase. Japan must begin growing again, and China must hold still, despite enormous economic problems, or the world will decline into a wider recession.

That is why the United States has been hammering on Japan since late last year to stimulate its economy before it drags the rest of Asia and then the West over the cliff. In fact, Japanese leaders are finally getting serious about digging themselves out of their eight-year recession.

Finance Minister Kiichi Miyazawa calls himself an repentant Keynesian and he looks set to prove it, embarking on a stimulus program anchored by corporate and individual tax

cuts worth \$85 billion, as well as by plans to spend an additional \$200 billion on public works projects to pave over everything that doesn't move. He is backed by Noboru Takeshita, current kingmaker and former prime minister.

Japan's central bank seems to be printing money around the clock, flooding markets with trillions of yen needed to drive down the cost of loans to weakened banks. By late September, if the first glimmers of stability in business conditions are not visible, it will be time to panic.

And then there is China. As senior officials gather for their informal summit meeting in the resort of Beidaihe, Prime Minister Zhu Rongji is carrying bad news from the provinces.

Warehouses are filled with unsold products, and the debt loads of state-owned enterprises are piling up. Financial markets are smelling blood, and speculation against the yuan in China's limited currency market has increased noticeably in recent days.

China will be forced to devalue its currency if Japan does not recover this fall. This would guarantee a new wave of competitive devaluation across Asia as each country struggles to push exports into the saturated American and closed European markets. Debt burdens of these already bankrupt countries would only increase.

But such a gloomy chain of events might not come to pass if Japan's embrace of Keynesian economics works and if China keeps its promise to Washington and does not devalue its

currency. The virtue of crises is that they tend to bring the most exceptional talents to bear.

The danger, of course, is that the room for maneuvering might disappear, and then nothing is possible.

That is what American officials most want to avoid, and they are well aware that any action by them — from cutting interest rates to stopping the dollar's rise — could unintentionally shrink the room for maneuvering in Asia. Then they will keep their hands far away from the policy levers.

You and I, meanwhile, should be content to ride out the stock market's lurches and buy on the dips once again.

The writer is managing partner of Medley Global Advisors. He contributed this column to The New York Times.

While Japan Drags Its Heels, China Is Reforming

By Miron Mushkat

HONG KONG — Japan and China, with Asia's two largest economies, confront a similar predicament. Both are grappling with decelerating growth and deflation. Both are plagued by symptoms of overcapacity, poor profitability and financial stress.

These difficulties cannot be dismissed as the product of temporary factors. They are caused by structural imbalances that may not be easy to correct. Japan and China have relied for too long on a development model in which bank loans have been used inefficiently to promote exports and investment in factories and other fixed assets.

But this is where the similarities end. Japan displays neither the willingness nor the ability to address decisively the

many problems it faces. China, on the other hand, tackles impediments to growth head-on, and constantly tries to enhance its economic management capabilities.

The problems confronting Japan are deep-seated and interconnected. Using a hammer rather than a stiletto, and opting for comprehensive surgery rather than selective tinkering, are the appropriate responses in such circumstances. But the policy establishment in Tokyo is frozen and unable to address the challenge in a timely and effective manner.

By contrast, China has committed itself to reform and sought to create institutions conducive to policy innovation.

The far-reaching administrative and fiscal decentralization carried out in recent years is a case in point. While undermining to some extent the position of the central government, it has invigorated communities at the local and provincial level to such a degree that they are now the principal source of policy initiative in the country. Reform is thus a bottom-up process.

Administrative and fiscal decentralization has provided impetus for the rapid growth of private enterprise at the local and provincial level in China, and the emergence of a subnational layer of government dependent on that enterprise.

A healthy provincial economy, for example, boosts local tax revenues and underpins public employment. Provincial and local officials consequently have a strong interest in nurturing private enterprise within their areas, and act as its advocates in Beijing.

The massive mandatory retirement program for revolutionary veterans in China has made the central government less resistant to change. As a result of the departure of the remnants of the old regime, related young and well educated bureaucrats have been promoted to the high echelons of the civil service.

These officials generally support reform. They are also flexible and pragmatic.

Another significant institutional reform in China has been

to allow government employees to leave the bureaucracy and join private sector organizations. This has helped to transform the attitudes of civil servants at all levels and fostered a climate of policy innovation.

Moderate reformers in China dominate the policy councils and have mapped out a viable succession strategy to ensure policy continuity well into the early part of the next century.

While they may lack the zeal of their radical counterparts, it does not mean that they are opponents of the endless superficial tinkering that is the hallmark of "reform" in Japan.

The Chinese reformers are willing to take selective risks in pursuit of their goals. What distinguishes them from their radical counterparts is the reluctance to attack on all fronts simultaneously. Their preference is for strategies that focus on only a handful of major problems — for example, the banking system and state-owned enterprises.

China's reform-minded leaders worry that, as in the Soviet Union toward the end of the Gorbachev era, chaos might ensue if they tried to achieve too much in too short a time.

The writer is vice chairman and director of economics and strategy at Indocam Asia Asset Management, the fund management arm of Crédit Agricole financial services groups. He contributed this personal comment to the International Herald Tribune.

An Asian Assignment for Rubin

By Tom Plate

LOS ANGELES — Were the condition of the U.S. economy today nearly as troubled as Asia's, Americans would be looking for people to blame. Robert Rubin's name would be no better than that of Ryutaro Hashimoto, the fallen Japanese prime minister.

With the U.S. economy in its seventh year of boom, why isn't the Treasury secretary the happiest soul on the planet? Because the final chapter of Bill Clinton's run has yet to be written.

This administration's unraveling, if it doesn't happen with an impeachment, could come because of Asia, whose miseries are beginning to wash up on American shores.

Last week, as the news surfaced that U.S. economic growth had dropped to 1.4 percent in the second quarter after a buoyant 5.5 percent in the first, the most pointed comments by Mr. Rubin during a conversation were about China and Japan.

No surprise. Asia will not be able to emerge from its tailspin if either Beijing or Tokyo responds to this historic crisis ineptly or parochially.

In Asia, Mr. Rubin's June meeting with China's economic czar, Zhu Rongji, was covered like a papal visit. His words on U.S. economic policy are weighed and analyzed abroad as if they were gold. Mr. Rubin, the Wall Street multimillionaire, is widely regarded in Asia as the world's second most powerful official, after Mr. Clinton.

Mr. Rubin is loyal to his boss, but he is under family pressure to return to New York.

Asked if he had become bleak about Asia's prospects, he replies by admitting only to

"concern." But he is well aware that Chinese export sales in Asia have plummeted, that overall mainland growth looks to be sagging below the 8 percent annual target set by Beijing, and that in Shanghai the office vacancy rate is so high that no Chinese official will publicly proffer the true, undoubtedly stratospheric figure.

Yet, having met Mr. Zhu, Mr. Rubin expresses a bit more than idle hope that China will hang tough and that a currency devaluation will not be automatic even if the yen continues to sink. "Japan affects all the world," he sighs, "but when I was in China, they expressed their determination to proceed on the basis of their self-interest and maintain the [currency]."

His concern about Asia becomes palpably great irritation when the topic turns to Japan. And if his attacks on Tokyo are perceived in many parts of Asia as typical of American arrogance, it must be conceded that his economic management, in tandem with Federal Reserve Chairman Alan Greenspan, has been more adroit than that of the half-dozen successive failed Japanese prime ministers with whom he and his boss Mr. Clinton have had to wrestle.

When asked if Washington's public posture toward Tokyo might come up disagreeably short in the savvy department (in Japan, Mr. Rubin is sometimes described as a "megaphone" diplomat), Mr. Rubin pauses for a few tense seconds before answering: "What happens in Japan is

critical to what happens in Asia and the rest of the world. Yes, the United States has been rightly focusing on [Japan], but so has the rest of the world. Japan has needed to act decisively all along."

The Japanese have been difficult and even wrong. But U.S. policy in Asia has not been without missteps. If there is an Achilles' heel, it is that Mr. Clinton and Mr. Rubin have relied on the IMF to a fault.

But, asked if he agrees that IMF performance has been very mixed, Mr. Rubin demurs. "These are unprecedented and complex issues. Many countries are in trouble all at the same time; there are problems in each one which affect the other countries. Japan is the second largest economy and by many multiples the largest in the region. The IMF has done a good job."

"It's easy to be a critic, but there are no easy solutions. The best argument for the IMF? It's the possibility of a substantial escalation [of the crisis] — that is a real possibility. It would have a severe impact on the United States. The IMF is a core institution that responds to protect the global economy and our financial concerns."

Mr. Rubin believes that Congress will ultimately authorize all that the administration has asked in additional IMF funding. "The U.S. agricultural community is beginning to get behind it. The American people are beginning to see how our world economy really is."

He knows that the Clinton presidency could come unglued over Asia. It is his job to reduce the odds of that happening.

Los Angeles Times

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Mediaeval Spain

PARIS — The "Noue Freie Presse" says: "It is a pity for the Spanish people that they must bend to the conditions of the American people. The hard lesson may be for their good. There are States which benefit by a defeat because it forces them to introspection and conversion. Spain can recover from this unhappy war if she modernizes her Government and shakes off the medievalism that still clings to her. But her proud dream of becoming the seventh Great Power lies buried beneath the waves of the Atlantic Ocean, from which her world empire once rose."

1923: Faith in Beauty

PARIS — Women the world over are reverting to their faith in feminine charm, according to Miss Dorothy Gray, a noted American "beauty sculptor." "Though I am by no means a

reactionary, I think this is a healthy sign. Women are beginning to feel a little disappointed in the false promise of liberty, the ballot and equal rights, and want once more to exercise the most elemental of weapons — beauty. If they really succeed in combining the two, poor man will hardly have a chance."

1948: Mixed Marriages

GENEVA — The United Nations adopted a resolution deploring laws "forbidding mixed marriage between persons differing in color, nationality, race or religion." The Soviet delegation accused the United States of injecting "for political reasons" a resolution asking information from governments on the right of women married to foreigners to leave their homelands. The Russians threatened to bring up alleged American laws against marriage between white and black

Herald Tribune

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OPINION/LETTERS

Workers vs. 'The Street'
In Booming America

By E. J. Dionne Jr.

WASHINGTON — Even in the middle of a long economic boom in which worker shortages are starting to drive up wages, Americans with good jobs are afraid of losing them. That is why autoworkers struck General Motors for almost two months, at the cost of about \$1 billion in lost wages.

The company lost a lot, too — an estimated \$2 billion. At the end of this costly struggle, GM agreed to keep certain plants open for a while and to live up to promises to invest in them. The company got some productivity concessions. You could score this as a narrow victory for the union, or as an expensive tie that leaves the toughest issues for the future.

This strike did not capture the public imagination as last summer's United Parcel Service strike did, but the dispute hit close to home for many workers. In the new economy, even profitable companies are under relentless pressure to cut costs and promote efficiencies.

Such moves sometimes send jobs outside the United States or, more often, to lower-cost, lower-paying producers elsewhere in America. Either way, the threat to existing jobs is felt keenly.

Kim Moody, director of Labor Notes, a pro-union magazine based in Detroit, says that the leadership of the United Auto Workers is "under tremendous pressure from below" to fight job losses. This is not a case of "labor bosses" flexing muscles but of union leaders responding to worried members.

What is happening is a fundamental shift of power inside American companies — from managers to stockholders and Wall Street analysts who demand ever leaner, more productive corporations. When managers do not deliver, the company stock suffers.

The pressure is coming from Wall Street and this universe of shareholders and analysts," says a UAW official who asked not to be named. "There's been a drumbeat that GM has to shed 50,000 workers, 80,000 workers. It's a drumbeat that management is taking more seriously."

Now let's suppose: GM is competing against other car companies that have achieved some of the efficiencies GM now seeks. Ford and Chrysler, which have a

history of better relations with the union and negotiated for efficiencies earlier, are seen by stock analysts as having more of that lean look popular on "The Street."

GM also confronts a fundamental conflict with the union over time. As the bank economist David L. Littman and William T. Wilson pointed out in *The Detroit News* in June, the average age of the UAW worker at GM is approaching 50.

For many union members, who can retire after 30 years on the job, keeping a plant open even for just a few more years can make a difference between modest comfort and a huge disruption in their lives. Company managers, say Mr. Littman and Mr. Wilson, are thinking about a competitive strategy for the next decade. But workers on the line see that strategy as threatening jobs that they like, that pay well and that offer decent benefits.

GM and the UAW were simply playing out a drama that is being enacted all across the country, often at nonunion companies.

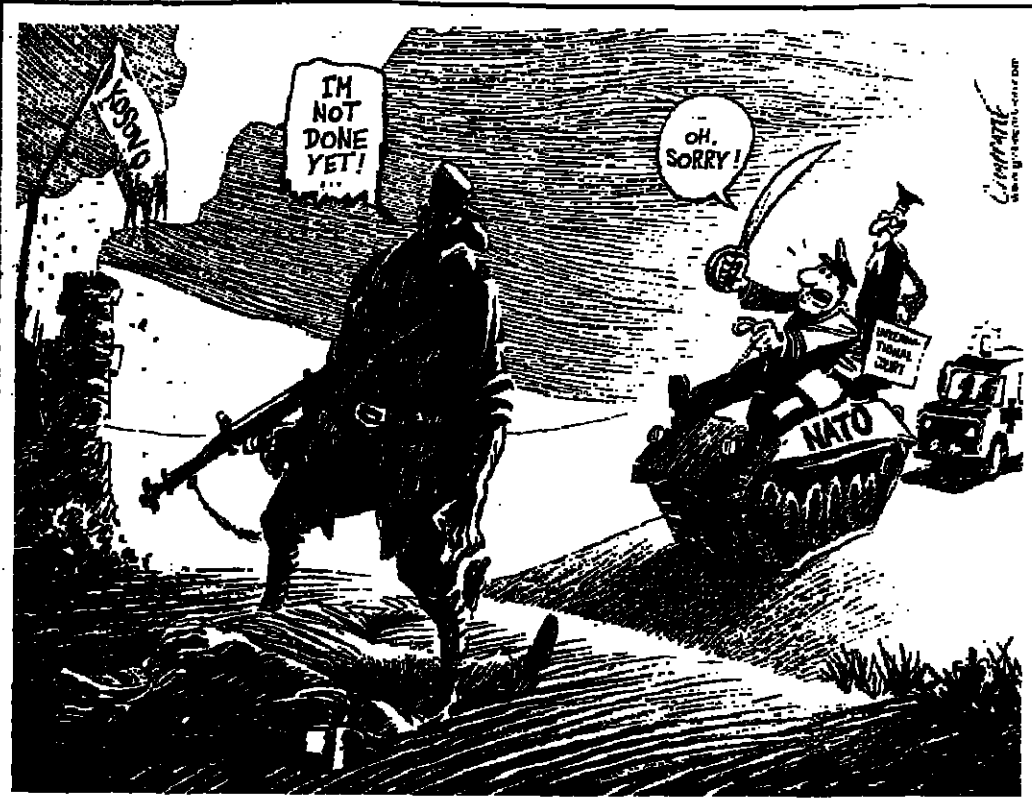
"People are simply fighting to hold on to what they have," said Andrew Stern, president of the Service Employees International Union. "These fights are not about massive wage increases or massive benefit increases. A good job with good benefits is a precious commodity in America today."

That, perhaps, is why the strikers, not the company, appear to have won the war for public opinion. A CBS News poll found that 46 percent of the public backed the union, while 37 percent backed GM. Fifty-two percent of those under 30 years old said they favored the autoworkers.

The UAW leadership was unable to capitalize on these glimmers of support because it could not declare this a strike on national issues. Its contract with GM is not up until next year, and a national strike would be illegal. GM had gone to court to make this point. The union had to insist this was about local disagreements.

But inevitably what is at stake is national and, in the broadest sense, political: ensuring opportunity in a growing economy. GM and the UAW will fight again another day, carrying on an argument that affects companies and workers all over the nation.

Washington Post Writers Group



LETTERS TO THE EDITOR

On East Timor

Regarding "Jakarta Details Partial Autonomy for East Timor" (July 29):

Jakarta's claims of troop withdrawals are farcical. Its claim to have withdrawn a first group of 400 soldiers, to be followed by 600 more, lacks credibility. Indonesia must be compelled to accept international verification of its troop presence in the territory and of their withdrawal.

There are an estimated 20,000 to 30,000 troops in East Timor, far more than Jakarta admits. However, even if we were to believe Indonesia's claims, the withdrawal of 1,000 troops is a token gesture that will do nothing to reduce tension and violence in the territory.

In an extraordinary display of a lack of good faith, Jakarta has announced at the same time that 800 "noncombat" public service troops, such as doctors, teachers and agricultural experts, will be sent to East Timor shortly.

If Indonesia is serious about helping the East Timorese cope with the lack of such personnel, why isn't it sending civilians instead? In any case, the East Timorese people have no confidence in Indonesian civilian personnel, who are among the most incompetent and corrupt in the world.

As for Foreign Minister Ali Alatas's statement that "there is no way that there can be an independent East Timor," who gave him the right to decide which nations should be free and which should not?

Mr. Alatas added that East Timor "would be highly dependent and always have great difficulty in scraping a living." East Timor has been quite profitable for the Suharto family and the many generals who looted its coffee, sandalwood and marble to the tune of tens of millions of dollars a year.

Now, as the Australian mining company BHP has announced, millions of dollars in oil revenue will be generated in the "Timor Gap" area. Other oil companies are also working in the area.

It verges on the ridiculous that one of the most corrupt, bankrupt, mismanaged and unstable countries in the world today should dispense judgment about the economic viability and political independence of another country.

Mr. Alatas also repeated a favorite mantra: that a referendum on self-determination in East Timor could spark a civil war.

The reality is that the violence in East Timor is promoted by the Indonesian Army. It alone is responsible for the continuing tension and killings in the territory.

If Indonesia genuinely fears a civil war in East Timor in the event of a referendum, there are a few preventive measures it can take now: All hooligans and paramilitary groups should be disbanded and weapons collected. A UN police force should be brought in to the territory, and a new local police force should be trained by the UN. All Indonesian troops should leave, the sooner the better.

One last thing: Reports of rape of Chinese women in Indonesia are the tip of the iceberg of racially inspired violence against non-Javanese ethnic groups organized by the Indonesian Army over decades. In the first days and weeks of the Indonesian invasion of East Timor in 1975, hundreds of ethnic Chinese of East Timor were massacred and women raped.

JOSE RAMOS-HORTA, Lisbon.

The writer, deputy president of the National Council of Timorese Resistance, shared the 1996 Nobel Peace Prize with East Timor's Roman Catholic bishop, Carlos Filipe Ximenes Belo.

Learning Late the Ways
Of the Natural World

By Ellen Goodman

CASCO BAY, Maine — The phoebes have taken flight. The boldest of the four offspring achieved a shaky lift-off Friday. He took a short hop to a nearby pine tree and sat there for a while, twitching in surprise at his

MEANWHILE

own audacity. Then he took wing across the road.

By Monday, his three sibling flycatchers had gathered up their nerve as well. Now they are all airborne and on their own.

The nest that served as the hub of their activity holds only the downy residue of their infancy. The air that was filled with the noisy demands of a growing family is quiet. The parents who maintained their guard post on a nearby phone line are off duty.

The porch that they claimed is once again ours.

My husband and I stand here, making light of our empty-nest syndrome.

"They don't call. They don't write," I tell him.

"They don't need college tuition. They don't borrow the car," he answers.

It is just five weeks since two taupe-colored migrants staked out the territory under the porch roof. Swiftly, they built a new nest exactly where an old one had been.

For the first time, I witnessed the entire cycle from nesting to fledgling. I watched this two-worker family condense 18 years of child-raising labor into five nonstop weeks.

On the days I worked here, confined to a computer screen, linking words together for a living, I was distracted, or attracted, by my avian boarders. These parents streaked across my peripheral vision, back and forth, on endless urgent missions of food delivery for their adolescents.

At times it seemed the world at my fingertips and the world at my front door were wholly disconnected. One on the Internet and the other on wing, one global and the other local, one made of artificial intelligence and the other replete with natural instinct. They did not even touch.

But standing here, I wonder how I learned to build a sentence before I knew how birds built a nest. How I had found my way around a for-

eign city before I had learned my way around my own front porch. Surely I have lived life backward, learning to read words before nature.

It occurs to me that many of my young computer-savvy friends get their hands on a mouse before they know the natural namesake. They know long division before they know how flowers multiply.

As parents we would be up in arms if our children did not know the alphabet. But we don't notice when they cannot read the landscape. Our daughters can distinguish Posh from Baby Spice before they know the difference between the sound of a yellow warbler and a brown thrasher.

During this summer of the phoebes, I kept Marie Winn's charming and quirky book "Red-Tails in Love" on my night table. It is the story of hawks that survive and reproduce in the circumscribed "wilds" of Central Park. It is also about the claque of devoted bird-watchers whose home turf is Manhattan, native soil of skyscrapers.

When these bird-watchers stood in the park, binoculars trained upward, watching the young hawks, tourists and passersby would stop and ask, "Who are you looking at?" It was as if the city folk could not imagine any celebrity from another species.

But I, too, have only lately paid attention to my natural co-habitants. I've had to learn "bird" as a second language, commuting sheepishly with remedial tapes of songbirds while my friends listen to literature and public radio. Maybe we spend so much of our young lives learning the skills to make it in the world that we learn our place in the world much later.

The week the phoebes took flight, the news came relentlessly screaming for attention — a gunman in the Capitol, Monica gets immunity — like an alarm clock. We are sometimes told to take a news fast just to restore our equilibrium. But there is more restoration in this feast of phoebes.

Here, on the porch, without a care for such urgent human concerns, yet another generation of flycatchers has taken wing.

"Hope," wrote Emily Dickinson, "is the thing with feathers" that perches in the soul."

The Boston Globe.

BOOKS

THE MAN WHO LOVED ONLY NUMBERS:

The Odd Story of Paul Erdos and His Search for Mathematical Truth

By Paul Hoffman. 243 pages. \$22.95. Hyperion.

Reviewed by Kay Redfield Jamison

THIS is one of the most captivating books I have read in years. Paul Hoffman, publisher of Encyclopedia Britannica and former editor in chief of *Discover* magazine, has written a completely absorbing, fast-paced memoir of the mathematician Paul Erdos (1913-1996), an odd, brilliant and completely original human being and mind. Hoffman also has brought vividly, very vividly, to life the world of pure mathematics and the psychologically fragile mathematicians who pursue the ultimate beauty that comes in the form of elegant proofs to seemingly unsolvable problems.

It would be impossible and pointless to remain immune to the charm of the Budapest-born Erdos who lived, inhaled and loved with abandon prime numbers — and all that he could see and imagine in them. Nothing in the real world vied for his attention. He had no wife or children, no job, no hobbies, not even a home to tie him down. He lived out of a shabby suitcase and a drab orange plastic bag.

He pushed on from place to place with an almost fathomless, restless energy. A colleague observed that Erdos "kind of cantered down the street like a big ape, hunched over, moving sideways, his arms swinging. . . . He always moved fast." Most of his energy seems to have been innate, but he ingested vast quantities of amphetamines and coffee which, no doubt, helped keep the momentum going. From the time he was 21

he "hardly ever slept in the same bed for seven consecutive nights."

His mathematical genius and productivity were legendary in his lifetime: He wrote or co-authored more than 1,500 academic papers, "many of them monumental, and all of them substantial."

Extraordinary natural brilliance was coupled to a singular passion for his work and an utter, almost incomprehensible single-mindedness. It is reported that Erdos sent out 1,500 letters a year, none of which dwelt on subjects other than mathematics. "I am in Australia," a typical letter began. "Tomorrow I leave for Hungary. Let k be the largest integer. . . ."

For those who believe poets and artists are, as one reviewer of a book I wrote once put it, "a few apples short of a picnic," Erdos's statement that "we mathematicians are all a bit crazy" seems to understate the world of pure mathematics as portrayed by Hoffman: The Cambridge don G.H. Hardy, the father of modern analytic number theory, twice attempted suicide, and his brilliant Indian protégé, Ramanujan, once threw himself in front of a London subway train (he survived, only to die later of tuberculosis); Yutaka Taniyama, a brilliant postwar mathematician, committed suicide at the age of 31, and the Austrian logician Kurt Godel, who was in and out of psychiatric hospitals, starved himself to death later in life. To this list could be added many more, including Emil Leon Post and Georg Cantor, both of whom were hospitalized for manic-depression, and Alan Turing, who committed suicide in 1954.

The psychological frailties and peculiarities of mathematicians are presented by Hoffman in full force, but it is primarily the excitement, zest and rarefied heights of pure mathematics that permeate the book, and linger long after

one has put it down. So, too, does the passion for beauty. The author quotes G.H. Hardy as saying:

"The mathematician's patterns, like the painter's or the poet's, must be beautiful; the ideas, like the colours or the words, must fit together in a harmonious way. Beauty is the first test: there is no permanent place in the world for ugly mathematics. . . . It may be very hard to define mathematical beauty, but that is just as true of beauty of any kind — we may not know quite what we mean by a beautiful poem, but that does not prevent us from recognizing one when we read it."

It is this pursuit of the beautiful that is constantly alluring. And addictive. Erdos had to be assigned an assistant to help him teach his mathematics classes because he was known to leap up and impulsively bound off in order to finish a proof he was working on.

When he was undergoing a corneal transplant, he was so obsessed with losing time from his work that the doctor had to call Erdos's academic department and ask them to send over a mathematician to talk prime numbers with him. Only then could the surgery proceed.

Paul Erdos was greatly loved by those who knew and worked with him, and it is easy to see why. He was brilliant, kind, and very odd. He, and his strange but marvelous world, are captured beautifully in this book. Although there is a fair amount of mathematical discussion in "The Man Who Loved Only Numbers," it can be read, partially read, or maneuvered around. In no way should it discourage even the most mathematically illiterate from buying this book.

Kay Redfield Jamison, professor of psychiatry at the Johns Hopkins School of Medicine, wrote this for *The Washington Post*.

BRIDGE

By Alan Truscott

AT the start of the American Contract Bridge League's Summer National Championships in Chicago, a squad from the New York area has reached the semifinal of the Grand National Team Championship.

Luella Slaner and Joel Friedberg of Scarsdale, New York, Marty Bergen of Farmingdale, New York, Ethan Stein of Irvington, New York, Steve Weinstein of Glen Ridge, New Jersey, and Fred Hart of West Hurley, New York, face a California team.

Experts sometimes imagine the possibility of some brilliant stroke. They may wait for years for the possibility, but when the chance comes, the

situation may not be quite as planned. Friedberg was long conscious of the chance the spade suit in the diagramed deal could present. If the spade king is led, the declarer may be able to score a triumph by dropping the jack. This is likely to persuade the opening leader to continue, when the declarer has reason to fear a shift to another suit.

This layout occurred in the New York Regional Championships in December 1995, and Friedberg was South. When the spade king was led, he made his preplanned play of the jack. East had played the three, perhaps misguided, and there was an excellent chance that West would continue spades. Then South could win, play a third spade and establish his eighth

trick before the defense could score any club tricks.

There were two flaws. North's actual response was an overbid of three no-trump rather than an accurate raise to two no-trump. That meant the contract was doomed, and the only issue was whether it would be defeated by one trick or two.

The second flaw was that West paid no attention to the spade jack and shifted instantly to the club jack. That was the end of Friedberg. He could make only seven tricks.

It is possible, of course, that West gave South credit for brilliance. In that case, Friedberg missed the opportunity to quote the Lord Chancellor in "Iolanthe":

"But though the compliment implied

inflates me with legitimate pride,
It nevertheless can't be denied
That it has its inconvenient side."

NORTH
♠ 8 7 4
♥ K 8 4
♦ A Q 10 8
♣ 7 6 3

WEST
♠ K Q 10 8 6
♥ A 10 9
♦ 8 3
♣ J 10 8 3

EAST
♠ 5 2
♥ Q 7 5 3 2
♦ 9 7 5 4
♣ K Q 8

SOUTH (D)
♠ A J 5 3
♥ Q 7 6
♦ K J 2
♣ A 5 4

Neither side was vulnerable. The bidding: West North East
1NT Pass 2NT Pass
Pass Pass

West led the spade king.

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INTERNATIONAL

Dissident And Burma Junta Face Off Again

Agence France-Presse

RANGOON — The Burmese opposition leader Daw Aung San Suu Kyi and the country's junta faced off again Thursday before the 10th anniversary Saturday of a military crackdown on pro-democracy demonstrators that left thousands dead, officials from her party said.

The latest confrontation occurred when the Nobel peace laureate ordered junta security guards to leave her compound and they refused, National League for Democracy officials said.

It came as reports of protests, detentions and security clampdowns swirled through Rangoon, but the streets remained calm, residents and foreign diplomats said.

The authorities said that an anti-government protest took place in one town and said an opposition member had been summoned to a police station in another for distributing "certain papers."

Meanwhile, the human rights watchdog Amnesty International said the international community had let down the people of Burma through its inaction and needed to refocus efforts on bringing change to the poverty-stricken country.

"For all the statements, for all the sanctions, for all the promises of engagement-producing results, things have only got worse," the organization said in a statement.

"Genuine concerted action by the international community could turn this situation around," the London-based rights group said.

Party officials said Daw Aung San Suu Kyi wrote to authorities July 31 to demand the security team's withdrawal after she was forcibly taken back to Rangoon following a six-day roadside stand-off with the authorities 26 kilometers (15 miles) northwest of the city.

That confrontation was sparked when she was blocked from traveling to meet supporters in the provinces, her third failed attempt in three weeks.

She is said by aides to be recuperating and has not been seen in public since returning to the capital.

No other incidents were reported in Rangoon as activists prepared to mark the anniversary Saturday, but foreign diplomats and residents said the city was awash with speculation about the next step in the confrontation between the junta and the pro-democracy party.



A Burmese student protesting Thursday at Rangoon's embassy in Bangkok.

Boston Globe Writer Told to Quit

By Howard Kurtz
Washington Post Service

WASHINGTON — The Boston Globe demanded the resignation of a controversial columnist, Mike Barnicle, Wednesday night after concluding that he had stolen one-liners from the comedian George Carlin and then misled the paper about the matter.

The Globe suspended Barnicle for one month without pay after learning that he had used a series of one-liners in his Sunday column that had been lifted from Mr. Carlin's best-selling 1997 book, "Brain Droppings."

But Matthew Storr, editor of the paper, asked the 25-year veteran to leave the paper after learning that Mr. Barnicle, who asserted he had not read Mr. Carlin's book, had, in fact, held the book in his hand and recommended it on

Boston's WCVB television.

Mr. Barnicle refused to resign and a Globe spokesman would not say whether he was about to be dismissed.

"In the past few days, his relationship with his readers and his employers had become untenable," Mr. Storr said in a statement. "It is clear he misrepresented himself either to his television audience or to his editors. This contradiction is unacceptable."

Earlier on Wednesday, before the punishment was decided, Mr. Barnicle said in an interview that a bartender had given him the jokes and that he did not know they came from the Carlin book.

The Barnicle bombshell comes six weeks after another Globe columnist, Patricia Smith, was forced to resign when she admitted she had fabricated all or part of four columns.

BRIEFLY

Anglican Bishops Voice Support For Jerusalem as Dual Capital

LONDON — Anglican bishops said Thursday that Jerusalem should be a capital city for both Israel and an independent Palestinian state.

At their once-a-decade Lambeth conference, the 750 bishops from around the world voted overwhelmingly in favor of a resolution that Jews, Muslims and Christians should have free access to Jerusalem.

Israel occupied East Jerusalem in the 1967 Arab-Israeli war and later annexed it, vowing that the united city would remain its "eternal and indivisible" capital.

Palestinians want East Jerusalem to be the capital of their future state. (Reuters)

"new beginning" in ties between the two countries after "years of mistrust." (Reuters)

Saudi-Yemeni Border Accord

RIYADH — A Saudi-Yemeni military committee in Riyadh has reached a series of agreements to prevent clashes over disputed borders, the official SPA agency said Thursday.

A statement from the committee said the two sides had agreed on "guarantees and rules," without elaborating.

The meeting followed an accord that was signed last month by the two countries' foreign ministers after clashes erupted between Saudi and Yemeni forces over the disputed Red Sea island of Duwaima on July 19. Three Yemeni coast guardsmen were killed.

The borders have never been fully demarcated. (AFP)

Colombia to Get New President

BOGOTA — President-elect Andres Pastrana will take office on Friday but with his peace hopes already tested by a bloody Marxist rebel offensive this week that left more than 130 people dead across Colombia.

The Harvard-educated Mr. Pastrana, a free marketer favored by the business classes, vowed to lead the nation down the path of peace after three decades of civil strife.

He also wants to overhaul the image of Colombia, branded an international drug pariah after the outgoing president, Ernesto Samper, allegedly bankrolled his 1994 election campaign with a \$6 million donation from the Cali drug mob.

One bright spot for Mr. Pastrana is an apparent opening for improved U.S.-Colombian relations.

He met President Bill Clinton this week and announced a

Ecuador Rushing Quake Aid

QUITO — Military planes have begun flying food and clothing to hundreds of refugees on Ecuador's Pacific coast after two earthquakes toppled buildings, killing three people.

President Fabian Alarcon ordered rescue workers in the coastal province of Manabi to prepare safe areas in schools and hospitals in case of new tremors.

The quakes struck Tuesday near the resort town of Bahia de Caraquez, southwest of Quito, causing 200 houses and buildings to collapse.

Fearing further tremors, hundreds of residents of towns in Manabi spent the night on soccer fields or in parks, many sleeping under tarpaulins that they had fashioned into shelters. (AP)



Passersby in Bahia de Caraquez, Ecuador, inspecting one of about 200 buildings destroyed by earthquakes.

AUTOS: Analysts See Trouble for Carmakers in U.S. and Europe

Continued from Page 1

Other automakers are expected to expedite negotiations on mergers and alliances in an industry struggling with overcapacity. In the past week, such leading German industrialists as Mr. Pischetsrieder and Ferdinand Piech, the chief executive of Volkswagen, have talked out loud about a merger.

Some industry experts reckon that Mr. Piech used the BMW merger suggestion as a ruse to distract from VW's costly setback in buying Rolls-Royce Motor Cars and then losing the rights to the coveted Rolls-Royce name to BMW, which paid nothing but lawyers' fees.

The flurry of speculation regarding possible merger configurations reminded one Frankfurt analyst of "international chess." Chrysler's chairman, Bob Eaton, recently said he knew of at least six other sets of merger negotiations within the world auto industry.

The French carmakers Renault and Peugeot-Citroen have been mentioned by matchmakers. Since both are national industry champions, talk of strategic partners for either raises difficult political issues in France, suggesting to some that they might consider joining forces.

One German analyst spoke of a "Mediterranean solution" in which Fiat could align itself with Renault. VW also has come into play, analysts speculate, with an interest in buying Renault's loss-making truck operations.

With a recession in Japan, home to 11 carmakers, some think a global consolidation eventually could include

names like Nissan and Mitsubishi. Some analysts have mentioned the possibility of BMW merging with Honda.

Mr. Halver of Delbrueck & Co. estimates that in 10 years, as few as 10 of the world's 18 automakers will be left.

Daimler and Chrysler on Thursday disclosed the first concrete details of the merger, including a raft of numbers that neither company would have disclosed unless Germany's securities regulators had demanded them. The numbers, which include the earnings projections for both companies through the year 2000, show Daimler's earnings rising at a significantly faster clip than Chrysler's.

According to the companies, Daimler's pretax earnings will rise to \$6.2 billion in 2000 from \$2 billion last year. By contrast, Chrysler forecasts a sharp jump, to \$5.6 billion this year from \$4.56 billion last year, but then expects to see smaller increases after that to \$6.2 billion next year and \$6.3 billion in 2000.

The figures helped justify the imbalance in the proposed share swap that cements the merger, with Daimler shareholders holding the better cards. They can trade a Daimler share for one in the new company at a 1-1 ratio, but a Chrysler shareholder would receive 0.6235 of a Daimler-Chrysler share.

Analysts and industry officials had differing opinions about when automakers should be looking for partners.

"It does not really matter where the cycle is," said one industry official of the Daimler-Chrysler deal. "In terms of the deal, it was the best timing ever."

Mr. Pischetsrieder of BMW suggested

that anyone prowling for an acquisition would be better off waiting for the downturn. "In boom times everyone thinks it is time to buy," he told a German newspaper last week. "But that is the wrong time. The correct time is much more during a crisis." Asked when the next crisis is coming, Mr. Pischetsrieder said in the next two years. "First in the U.S.A.," he said. "If we are lucky, it will not hit Europe before 2000."

Chrysler to Build Mercedes Cars

Chrysler plans to begin building Mercedes-Benz sport-utility vehicles at an Austrian factory, The New York Times reported from Traverse City, Michigan.

The announcement provided some of the first details of possible savings from Chrysler's planned merger this autumn with Daimler-Benz AG.

The combined company, Daimler-Chrysler AG, will also have ordinary shares that will be traded in New York, Germany and elsewhere with equal ease, said Thomas Stalkamp, the Chrysler president. Executives considered and rejected the more common approach of allowing trading in the United States of American depositary receipts, which represent claims on shares quoted on foreign stock exchanges.

Mr. Stalkamp said Wednesday that Chrysler planned to add a third shift as soon as possible at a factory complex in Graz, Austria, to produce Mercedes sport-utility vehicles there. Chrysler already builds 50,000 Jeep Grand Cherokees a year and 50,000 Voyager minivans a year at the factory.



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Leisure

Landlocked Laos Awakens to Tourism

Friendliness Amidst the Temples

By Martha Stevenson Olson

VIENTIANE, Laos — Vientiane, the sleepy capital of half-forgotten, landlocked, xenophobic Laos, is beginning to awaken to the possibilities of tourism.

Until this spring, just getting a tourist visa was a chore requiring considerable time and money. Now, visitors from many countries are issued 15-day tourist visas for \$50 upon arrival at Wattay Airport in Vientiane or at the Friendship Bridge — the only bridge across the mighty Mekong River south of China — which links Laos to the Thai town of Nong Khai. Those already with visas can choose from at least five other passages, overland or on the river, into the country.

There are other signs of reaching out: The government has designated 1999 as Visit Laos Year, with a corresponding frenzy that is tearing up streets in Vientiane — which has a population of 133,000 — and installing drainage and other infrastructure. A modern airport, incorporating stylish Lao lines, will soon replace drab Wattay, which practically shouts "Third World."

Those who cherish the old Laos need not worry, however. Despite a stream of rush-hour motorcycle traffic and taxi drivers who are just learning to be greedy (there are still fewer cars here than most anywhere else in Asia), Vientiane — and certainly the rest of undeveloped rural Laos — retains its fresh, open face and charm. I met with only friendliness and politeness during my weeklong visit in May, hardly what one would expect considering the U.S. forces' bombardment during the Vietnam War.

Historically, Laos has been weak, and through the years has been bullied by powers as near as Thailand and Burma and as far away as Paris and Washington. Even its name is a bit second-hand — the handful of Lao kingdoms were collectively called *les Laos* by the 19th-century French colonizers, and the name has stuck. Although the official name is the Lao People's Democratic Republic, the population refers to itself and the country as *Laos*.

The French expanded their influence in the region at the end of the 19th century, signing a series of treaties with the Siamese, British and Chinese. Dur-

ing World War II, the French were replaced by the Japanese. After the war, the Lao independence movement gained momentum, and in 1953 France granted Laos its sovereignty.

With backing from the Viet Minh, the Lao Communists gained support through the 1950s and '60s and during the American engagement in Indochina, until finally, in 1975, the Pathet Lao took over in a bloodless coup and established the Lao People's Democratic Republic.

Nowadays, there is a large presence of international aid organizations, since Laos is one of the least-developed Southeast Asian countries. In Vientiane, numerous white four-wheel-drive vehicles from these agencies can be seen bouncing through the mud and potholes. And many businesses, most notably restaurants, have been established by European expatriates.

It is the wide Mekong River and its tributaries — crucial transportation arteries — that provide life support for Vientiane and much of the rest of the country.

The oldest parts of the capital are nearest the river. The area closest to it, next to Fa Ngum Road (a major thoroughfare being repaved and widened), is a rural patchwork of vegetable plots dotted with water buffalo, awaiting the periodic floods that will submerge it. Nearby are Buddhist temples tucked among French colonial buildings set on wide avenues, while boxy government offices and modern hotels are farther from the town center. As yet Vientiane boasts no tall buildings; the highest, a few new hotels, are at most five stories.

BARGAIN HOTELS

As tourism in Laos increases, investors are hurrying to build high-end lodging in Vientiane, and some well-worn hotels that were once top-rated are quoting bargain rates to fill their rooms. The hotel where I stayed, the Asian Pavilion, was once one of Vientiane's better business-class hotels, and it still offers amenities like faxes and e-mail, a good restaurant and helpful desk service. The rooms are a bit musty and faded, and some have windows that face walls. But it's a good value over all. I paid about \$22 a night for a double room, including a buffet breakfast.



Traffic on a street in Vientiane, where there are the fewest cars in Southeast Asia; the Patuxai, a Laotian version of the Arc de Triomphe.

On the day I began sightseeing in May, which happened to be a Tuesday, the temples highlighted in my Lonely Planet guidebook (the first and still the best guidebook for Laos) were closed. Instead I made a pilgrimage to Wat Si Muang, the temple dedicated to the city itself. Howler monkeys in a boarded house greeted my arrival. Monks draped in saffron robes did odd jobs around the place. Like almost all Vientiane temples, Wat Si Muang was destroyed by the occupying Siamese in the 1820s and was only rebuilt in 1915.

Consequently, Vientiane does not have the number of ancient temples that enrich Thailand and Cambodia.

Wat Si Muang tends toward a certain garishness, with brightly painted statues of demons guarding its entrance. The temple has two sections, with the cloth-draped stone pillar embodying the city's guardian spirit at the rear. A bronze statue of King Sisavang Vong, nominal ruler under the French and Japanese occupations, dominates a little park in front of the temple, where two of the city's main thoroughfares, Sathathit and Samsenthai Roads, merge.

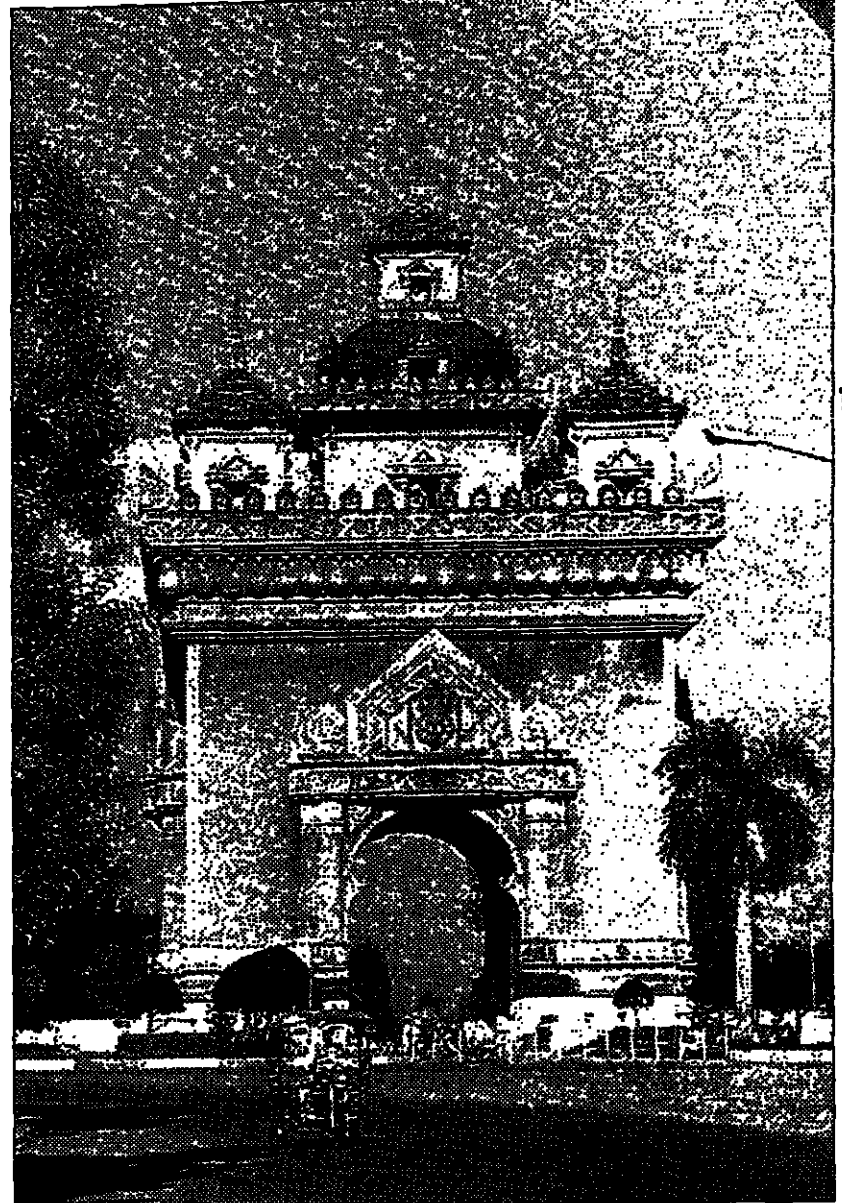
I did eventually make my way to the more notable temples, like Haw Pha Kaew, a 1565 temple that was rebuilt between 1936 and 1942 and has now been turned into a museum. Ancient Buddha sculptures — some serene, some almost laughing — line the encircling terrace, their eyes seemingly

peering from the blank spaces from which gems have been pried. In addition to these and the numerous interesting sculptures inside, the temple (that is to say, the original) has the added cachet of having once housed the so-called Emerald Buddha, now in Wat Phra Kaew in the royal compound in Bangkok. During the 16th to 18th centuries it was the focus of much intrigue and skirmishing with the Thais.

SURVIVING TEMPLE Next door the presidential palace dominates a fenced-off greensward, and across the street is Wat Si Saket, the only Vientiane temple not razed by the Siamese during the 1828 destruction, possibly because in style it is very Siamese. Built in 1818, it is not old by Asian standards, but it does have an interesting cloister sheltering literally thousands of Buddha images in various shapes and positions, many of them tiny figurines tucked into the hundreds of niches that dot the walls.

Inside the small temple, with its poignant painted murals, are more Buddha images and more niches. According to a posted note on the cloister, the temple's curator has counted 10,136 Buddha images in the temple complex.

Possibly the most venerated spot in Vientiane is Pha That Luang, a gold-colored *chedi* — a holy site in the shape of an overturned bowl — with an elongated spire that is said to contain a relic of the Buddha, and may date as a holy site to as early as the third century B.C. It,



too, was damaged by pillaging neighbors and was abandoned for almost a century. It has been restored twice, once in 1900 and once again in the 1930s. Climbing the stupa's several staircases and walking around the two terraces imparts, if not a holy feeling, then at least the calm that comes from surveying a lovely scene below, with the cloister that encloses the chedi, and two classic Buddhist temples, Wat That Luang Neua, and Wat That Luang Tai, flanking the stupa north and south. This stupa is a pilgrimage site for Laotians and Buddhists from across Asia, and visiting monks often can be seen climbing the edifice in their orange robes.

The last night, I dined at the Souk-Vimane restaurant. Here I had thick-

fleshed fish from the Mekong, cooked and chopped up with fistfuls of garlic and chili peppers, paired with sticky rice from a woven rattan container, and wrapped up in savory leaves like basil and anjalua. The flavors were strong and bracing, evocative of big mountains and deep rivers. I washed it all down with a bottle of Beer Lao, the national brand.

At other places in Vientiane I had eaten shrimp cocktail, duck à l'orange, and profiteroles. But here were the flavors and smells I would remember as the real Laos.

Martha Stevenson Olson, who writes frequently about Southeast Asia, wrote this for The New York Times.

Tracking Orangutans, Turtles and Clouds in Borneo's Wilds

By Donna Marchetti

KOTA KINABALU, Borneo — "Just don't look up and talk at the same time," suggested Walter, our guide. As we entered the cave it quickly became apparent why.

The ground was covered with a thick carpet of spongy guano, a dead giveaway of the thousands of bats hanging from the dimly lit ceiling. Flying rapidly in and out of the cave's entrance were tiny swiftlets whose nests bring high prices as the main ingredient for bird's nest soup.

I pointed my flashlight into a corner and saw that the reddish surface appeared to be moving. What I was seeing wasn't the cave wall but a mass of the giant cockroaches that breed in the guano. As my eyes adjusted to the dark, I began to see them everywhere — on the railings, crawling on the walkway, squirming on the ground. Among them, Walter warned, were probably poisonous centipedes. Sure enough, as we were leaving the cave a half-hour later, two small boys — perhaps children of the men harvesting the bird's nests — held up a dead centipede for our inspection.

I was in the larger of the Gomantong Caves in the Malaysian state of Sabah in the northeast corner of the island of Borneo. Though I had come to Borneo in March primarily to scuba dive, I decided to spend a week touring the parks and natural attractions in the area first.

The third largest island in the world, after Greenland and New Guinea, the 287,000-square-mile (720,000 square-kilometer) Borneo is shared by three countries: Indonesia, the tiny Sultanate of Brunei and Malaysia, with the largest part in Indonesia. Sabah, one of two Malaysian states on Borneo, has an extensive system of parks that offer the nature-oriented traveler a wealth of ex-

periences, including the chance to observe plants and animals that are rare or exist nowhere else.

Known for venomous snakes, prodigious leeches and insects of legendary proportions, Borneo possesses the stuff of nightmares. I was therefore fully braced for the writhing horde on the cave walls, and whatever else awaited at the next attraction. But I was pleasantly surprised. For though I saw an abundance of wildlife, I never encountered anything more dangerous than the dead centipede dangling before my eyes.

After leaving the Gomantong Forest Reserve, where the caves are, our group of six was driven to our lodgings on the banks of the Kinabatangan River in the village of Sukau. That afternoon, we boarded a small motorboat and headed for one of the Kinabatangan's tributaries, hoping to see rare proboscis monkeys that live in the area.

This shy species is endemic to Borneo, where it lives in lowland forests and swampy areas. Its distinguishing feature is its long droopy nose, more prominent in males than females.

MONKEY FACES The setting sun was still bright, making it difficult to see into the tangle of forest, though curious macaques came right to the river's edge. A hornbill streaked across the sky in front of us, releasing a resonant honk. We floated gently past a monitor lizard lazily on a branch. As the light faded under the thick forest cover, what began as the low drone of cicadas accelerated to a roar that was nearly deafening. Conversation was futile, but I saw by Walter's gesture that he wanted us to look into the adjacent jungle.

There, hidden among the trees, were the reddish-brown faces of the monkeys. A male made his way slowly toward the river, then scampered across a branch to the other side. This was apparently a signal for all to follow, and for the

next few minutes we watched, fascinated, as a parade of monkeys crossed over just ahead of us, silhouetted against the deepening sunset.

We departed early the next morning for a four-and-a-half-hour drive to Sandakan, where we boarded a ferry to Pulau Selingan in Turtle Islands National Park. In the Sulu Sea, about 25 miles north of Sandakan. Though all three islands can be visited, Pulau Selingan is the only one that can accommodate overnight guests.

Green and hawksbill turtles come ashore at night to lay their eggs, which the park rangers remove to a protected area until hatching. At about 8 P.M., we were summoned to the beach where, by the light of a lantern, we watched as a green turtle slowly and laboriously laid her eggs.

Her name was Maria, we learned. She had come ashore before and been tagged. Over an hour's time, Maria deposited 109 eggs in the sandy nest about three feet from where we stood.

We were to have another special event that evening: Five eggs from another nest had hatched while we were watching Maria. The tiny turtles were exercising their instincts, paddling the air furiously as we held them between our fingers. Under the watchful eyes of the park rangers, we carefully carried them to the beach and watched them make their way determinedly into the sea.

The next day, we made the 90-minute ferry ride back to Sandakan, where we were met and driven just outside of town to the Sepilok Orang Utan Rehabilitation Center.

The orangutan, the original "wild man of Borneo," gets its name from the Malay words for "man" (*orang*) and "jungle" (*utan*). Found in the wild only on Borneo and the Indonesian island of Sumatra, the orangutan is fighting a battle for survival as its habitat shrinks.

At the rehabilitation center, orangutans that

have been orphaned, kept illegally or abused by farm workers are taught survival skills and gradually acclimated to life in their natural habitat.

We arrived at the feeding platform a little before the 10 A.M. meal and waited with 30 or so other tourists. The animals, most of them slightly smaller than an adult human, were already beginning to gather, some swinging through the trees, others strolling casually up the walkway, where surprised visitors cleared a way for them.

The adults, with their luxuriant orange-brown fur, were all females, we were told. Some of them carried infants on their heads; like babies everywhere, they were squirming and eager to explore. Though we were asked not to touch the apes, they seemed quite willing to be close to humans and unfazed by excited children and snapping cameras.

MILK AND BANANAS

While most wandered onto the platform for their purposely boring meal of milk and bananas (to encourage independent foraging), some stayed among us. One solemn-looking adolescent was missing an arm, the victim, we were told, of enraged farm workers who found her searching for food on their plantation. Walter had warned us that orangutans can sometimes be aggressive, snatching purses or even articles of clothing, but there were no tricksters among us. It was easy to feel sympathy for these animals with their expressive faces and gentle manner.

I flew from Sandakan to Sabah's capital, the modern, teeming city of Kota Kinabalu, which was my base between excursions. The city, about 140 miles across the province, on its west coast, was hot and crowded, and I wasn't disappointed that I had no time to explore, but the Hotel Shangri-la offered a comfortable place to rest.

It was a two-hour drive northeast to Kinabalu Park, where I planned to spend two days hiking and exploring with my guide, Mr. Liang.

Another half-hour beyond the main entrance was Poring Hot Springs.

Our first stop was the canopy walk, a narrow wood-and-rope system of walkways suspended high above the forest floor. Though it took a few minutes to get used to the bouncing walkway, we were rewarded by a bird's-eye view of the forest.

The hot springs, developed by the Japanese during World War II, consist of steaming sulfurous water that is channeled into tubs of various sizes. The tubs are equipped with faucets for both hot and cold-water, allowing visitors to control the temperature.

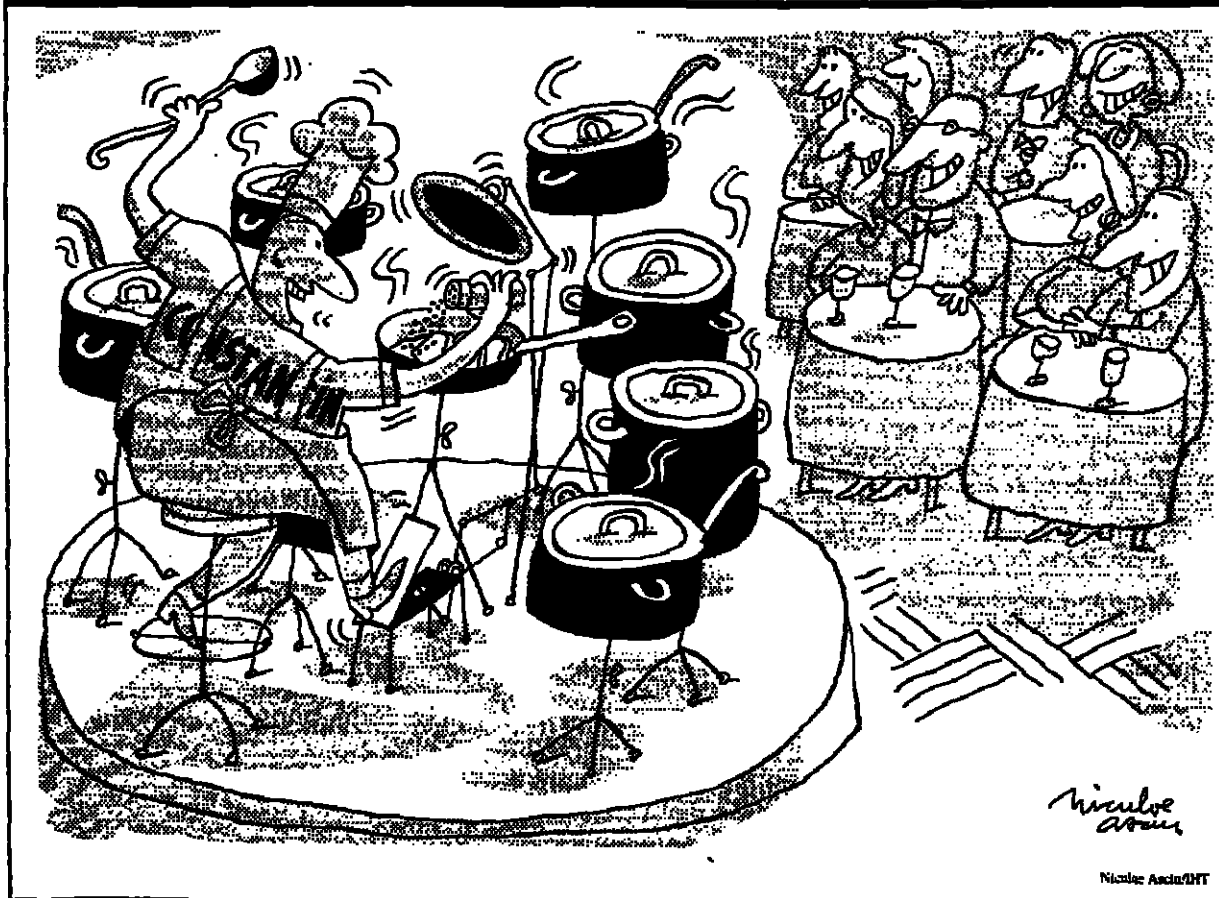
The next morning, Mr. Liang and I began our hike in the main section of the park. At an elevation of about 5,000 feet, this area is much cooler than the steamy lowlands I'd been traveling in, and the air was invigorating.

The focal point of the park is 13,455-foot Mount Kinabalu, the highest mountain between the Himalayas and New Guinea.

From the trailhead at 6,000 feet, we hiked about halfway to the summit. The trail led us from tropical rain forest to oak forest, and finally to the cloud forest, where dwarf rhododendrons and gnarled tea trees looked surrealistic in the swirling vapor of the clouds surrounding us.

By the time we reached our turnaround, each step required arduous effort in the thin air, and it was a relief to begin the descent. Nine hours after we had begun, we arrived at the trailhead where we started that morning.

Donna Marchetti, author of "Around the Shores of Lake Erie," wrote this for The New York Times.



DINING

Shades of Lyon in a Paris Bistro

By Patricia Wells
International Herald Tribune

PARIS — Francoise Petit promised herself four things: She would never marry a chef; she would never own a restaurant; she would never live in Paris, and she would never have a daughter who was a Virgo.

Well, now the 34-year-old Francoise Constantin has all four, and she is as giddy as a schoolgirl.

At the age of 17, she began working as a waitress at the quintessential Lyonais bistro Café des Fédérations. During her 13 years there she and her patron, Raymond Falchiron, became minor celebrities in the food world, as gastronomes came from far and near to hear their banter and chow down on *saucons chauds*, *andouillettes*, *blanquette de veau* and platters of weeping Saint-Marcellin cheese, all washed down with tumblerfuls of sturdy Morgon.

In 1994 Francoise left Lyon for Paris and promptly broke her three other promises. Since April she and her hus-

band, the chef Daniel Constantin, have been happily installed at the Auberge Pyrenees-Cevennes, the classic Parisian bistro that was also known as Chez Philippe and run by Philippe Sebourc until his death last year. With hams and sausages hanging from the rafters, colorful old tile floors and rustic stone walls, the bistro remains thankfully unchanged.

And while the Constantins have maintained many of the old standbys — platters of sausages and cured meats and cassoulet — they have also added such Lyonais classics as robust green salads loaded with top-quality cured bacon; a rich and densely flavored pork sausage, and those Saint-Marcellin cow's milk cheeses from Mere Richard in Lyon.

Chef Constantin, who has been at the stove since the age of 14, is a classic French cook — a dying breed of those who have French cooking in their very veins, and it shows in everything that comes from his spotless kitchen.

The food has soul, character and an honesty one rarely sees today in simple bistros fare. The chef's battery of sturdy copper

pots that he brought from the Eiffel Tower after working there for a decade attest to his determination and respect for French cuisine.

"You can't make a Bearnaise in stainless steel," he likes to say.

Daily specials here might include thick slices of exquisitely flavorful saddle of lamb seared on an ancient gas grill; a rich and creamy potato gratin; and an impeccably prepared plate of sautéed *grolles* mushrooms.

The 43-year-old chef's motto is: "It is simple to do, but difficult to succeed at."

Wines all come from small producers and have been selected by Francoise. Try the silky Chiroubles cru Beaujolais Domaine du Clocher from Jean-Noël Melinand, or the fresh and fruity Coteaux du Lyonnais, available by the glass or the traditional Lyonnais pot.

Auberge Pyrenees-Cevennes, 106, rue de la Folle-Mercurcourt, Paris 11; tel. 01-43-37-33-78. Closed Saturday lunch and Sunday. Credit card. Visa, 148 franc (\$25) menu. A la carte, 160 to 210 francs.

LEISURE

Help for Fearful Fliers (You're Not Alone)

By Susan Keselenko Coll

WASHINGTON—Dan Bloom, a 49-year-old American living in Taiwan, has been afraid to fly since the engine of a DC-3 prop plane he was on in Alaska caught fire about 15 years ago. Nevertheless, when Bloom fell in love with a Japanese woman, he gave himself a pep talk, swallowed four Valium tablets, and boarded a plane to Tokyo.

Bloom says his original intention was to leave the country after 90 days in order to obtain a work permit, but when the time came, he could not bring himself to fly again. He had just found a job, he adds, and could not take the time off to travel to Korea or Taiwan by boat. When his medical appeal was denied by the immigration authorities, he chose to become an illegal alien rather than get on another airplane, a status that, five years later, won him a 41-day jail sentence followed by a police escort in handcuffs back to the dreaded airplane.

While the particular circumstances of Bloom's story are extreme, his decision to risk criminal prosecution rather than get on an airplane is a situation that some 25 million Americans can probably relate to.

Aviophobia—often used interchangeably with aerophobia, which technically speaking, means an abnormal fear of air or drafts—can range in severity from the sort of inflight jitters eased by a glass of wine or a tranquilizer to terrifying panic attacks.

A former navy pilot who did not wish to be identified says that when he suffered an adrenaline rush ac-



David Goldberg/STY

David Linsley, a retired United Airlines pilot who has established a cottage industry aimed at turning "snails into eagles," estimates that the airline industry loses close to \$8 billion a year in potential ticket sales because of fear of flying.

Linsley's Pegasus Fear of Flying Foundation Inc. offers a variety of self-help options ranging from a kit which comes with a book, audio and videotape that retails for \$69.95, to corporate training sessions that cost as much as \$5,000 per day.

Similarly, the Institute for Psychology of Air Travel offers a program that includes an audio tape that talks one through a short flight from Portland, Maine, to Boston, explaining at every juncture what the pilot is doing, and coaching nervous passengers through a regime of breathing exercises.

BEYOND SAFETY CONCERNS For many fearful passengers, however, a lack of understanding of the relative safety of air travel is not the problem. Indeed, many a phobic can rattle off the statistics: Flying is considered to be 100 times safer than driving a car; the probability of being killed in an airplane crash is one in 11 million while flying domestically; one in 44 million flying internationally on a major carrier; and a four-engine jet can land safely on just one engine, according to a statistical Web site devoted to aviophobics:

www.afraid2fly.com/statisticalspeaking.html. "Education is very important," said Robert DuPont, a clinical professor of Psychiatry at Georgetown Medical School whose book, "The Anxiety Cure," will be published later this summer.

But sometimes the problems have

less to do with a lack of knowledge than with simple biology. "The problem is a short circuit in the nervous system," DuPont said, "a thunderstorm in the brain."

The only thing to do for those who suffer from anxiety, he said, is to fly "over and over again." DuPont also cites the value of such medications as Valium and Zanax even after a patient has been through counseling.

Albert Forgiore, founder of the Institute for Psychology of Air Travel, believes that the largest problem facing passengers is their fear of not being in control.

Certainly otherwise inexplicable midflight anxiety attacks are simply a reflection of harried modern society, he says. "A person gradually gets used to a very stressed lifestyle," he explains. "They get on an airplane in a highly tense state, not aware they've adapted to it. You get some turbulence or the plane has to circle, and boom—they have an anxiety attack."

Such was the case with the former navy pilot. Although he had logged more than 2,000 hours at the controls himself, he had what he describes as a panic attack at 35,000 feet somewhere between Baltimore and Jacksonville, and has been unable to fly without the help of medication since.

"I know intellectually that nothing is going to happen. I'm not going to die. The plane is going to land. But you can't tell your body that," he said.

For further and international information, contact the Institute for Psychology of Air Travel: www.ais-online.com/InstPsyAir/tabe.htm

Susan Keselenko Coll is a Washington-based writer.

MOVIE GUIDE



Richard Symmes/Sony Pictures

James Urbaniak (left) and Thomas Jay Ryan in "Henry Fool."

HENRY FOOL

Directed by Hal Hartley, U.S.

In "Henry Fool," the fascinating and often infuriating new film from the idiosyncratic Hal Hartley, the title character spends an awful lot of time yammering about the difference between poetry and pornography, as though there were some thin, indefinable line between these things. And maybe there is. Maybe, at their extremes, beauty and ugliness no longer are at odds but actually begin to converge. In a similar way, the movie is a paradox, a bundle of contradictions, many of them lyrical, more of them utterly frustrating.

Set in the home and squalid basement rental unit of the working-class Grim family, "Henry Fool" has the grimy look of cinema verité. Faulknerian in its wretchedness, the Grim clan consists of mother Mary (Maria Porter), shuffling around in a housecoat and doped-up haze of prescription medication; daughter Fay (Parker Posey), a foul-mouthed, chain-smoking nymphomaniac; and son Simon (James Urbaniak), a painfully shy garbage man who speaks, on the rare occasions when he opens his mouth, in the abortive cadence of a stalled automobile. Into this domestic gruel steps a drifter with the Dickensian name of Henry Fool, played by the stage actor Thomas Jay Ryan. When the self-styled philosopher and intellectual with a shady past moves into the Grim's downstairs apartment, he carries not much more than a stack of dog-eared composition books filled with the confessional chicken scratchings of his life story. Before long, the odd bird and aspiring writer has insinuated himself into their household in several expected—and unexpected—ways. Not only does he make love to mother and then daughter (isn't that de rigeur in this sort of scenario?), but he inspires the inarticulate Simon to take up pencil and paper himself. What should result but epic verse? Hartley is better and smarter than the Hollywood herd and is to be commended for grappling with the nature of art, creativity and friendship in "Henry Fool," but the price of admission to his elite club of admirers—the willingness to accept his inaccessibility—is a price that most people may be unwilling to pay.

(Michael O'Sullivan, WP)

LETHAL WEAPON 4
Directed by Richard Donner, U.S.
Coming attractions for "Lethal Weapon 4" boasted a chase sequence in which Mel Gibson is dragged behind a trailer truck on a crowded freeway. Brakes screech, drivers veer and vehicles go bang while Gibson endures this

nightmare until Danny Glover manages to hoist him off the pavement at high speed. After this, the two stars crash straight through an office building in their runaway car. Pardon me for having groaned in anticipation of what, in the full perspective-warping heat of the summer movie season, turns out to be one of the nicer blow-'em-up-around. The characters remain funny and likable, and they all live on Earth. The formula still has some zip. Scenes unfold with that antediluvian, pre-MTV storytelling logic that some of us still find helpful, and the story actually has a few substantial ideas in mind. (It's pro-friends and family; it's anti-slavery.) These are real virtues even if only relative ones. After all, "Lethal Weapon 4" is still a film whose idea of high drama is watching a car get pushed in front of an oncoming train. It's also a flamboyant, tongue-in-cheek adventure fueled by jokey camaraderie and constant forward motion. Though it first emerged as one of the more recklessly violent of action franchises, the "Lethal Weapon" formula has come to seem substantial, beside newer and dopier action-adventures. The characters have aged well and the storytelling wisely made room for new blood. And for sheer madness, a furious long fight between Gibson and Jet Li extends the boundaries of bone-crunching for aging movie heroes everywhere. (Janet Maslin, NYT)

Pi
Directed by Darren Aronofsky, U.S.
You don't have to be a math whiz to appreciate the heady notions Darren Aronofsky tosses around in his homemade debut film "Pi." The movie, made for just \$20,000, offers a brash horror-comic variation on a familiar type, the paranoid wild-eyed genius who is so obsessed with proving a theory that he goes mad. Before he's finished experimenting on his home computer, Maximilian Cohen (Sean Gullette), the film's central character, has shaved his head in order to plug his computer into a specific area of his brain. If "Pi" suggests a zany spoof of the Frankenstein myth, the movie poses age-old questions about the relationships between genius and insanity, mathematics and numerology, mysticism and scientific truth. Such questions may have no clear-cut answers, but considering them forces you to contemplate what exactly is meant by the word intelligence. But as smart as it is, "Pi" is awfully hard to watch. Filmed with hand-held cameras in splotchy black-and-white and crudely edited, it has the style and attitude of a no-budget midnight movie. (Stephen Holden, NYT)

ARTS GUIDE

AUSTRIA

VIENNA
20er Haus, tel: (1) 799-6900, closed Mondays. Continuing/To Aug. 30: "Arte Povera From the Goetz Collection." Installations and sculptures by Italian artists of the mid-1960s who used simple materials such as sand, stone and newspaper.

BRITAIN

EDINBURGH
Royal Scottish Academy, tel: (131) 556-8821, open daily. To Oct. 11: "William Gillies Centenary Exhibition." 200 paintings by the Scottish artist (1850-1933). Includes Scottish landscapes, portraits painted in the 1920s and '30s and still lifes of his later years.

LONDON
British Museum, tel: (171) 323-8525, open daily. Continuing/To Sept. 20: "The Print in Stuart Britain, 1603-1689." A survey of British printmaking under the four Stuart kings in the 17th century. www.britishmuseum.ac.uk

DENMARK

HUMLEBAEK
Louisiana Museum of Modern Art, tel: 49-19-07-19, open daily. Continuing/To Aug. 30: "Louisiana at 40: The Collection Today." Works from the collection that started with Danish Modernism and has expanded to include post-World War II art. www.louisiana.dk

FRANCE

PARIS
Jardins du Palais-Royal. Open 7 A.M. to 11 P.M. Continuing/To Aug. 31: "Jacques Lipchitz." Sculptures by the Lithuanian-born artist (1891-1973) are exhibited in the 18th-century gardens.

SAINT-PAUL-DE-VERNE
Fondation Maeght, tel: 04-83-32-81-83, open daily. To Oct. 18: "Otto Dix." A selection of paintings, drawings, sketches and engravings by the German artist (1899-1970). The realistic World War I sketches and engravings precede the disillusioned depictions of life in the Weimar Republic that led to his being branded a "degenerate" artist by the Nazis. After World War II, Dix painted mainly religious subjects.

GERMANY

COLOGNE
Museum Ludwig, tel: (221) 221-2382, closed Mondays. Continuing/To Oct. 11: "Robert Rauschenberg Retrospective." A chronological exhibition of paintings, collages and installations by the American artist (born 1925).

WEST-AM-RHEIN

VITRA DESIGN MUSEUM, tel: (7821) 702-3200, closed Mondays. Continuing/To Oct. 11: "Frank Lloyd Wright: Die Lebendige Stadt." Drawings, photographs, architectural models and furniture document the work of the American architect and designer (1867-1959). www.vitra.com

GREECE

ATHENS
Museum of Cycladic Art, tel: (1) 722-8231, closed Sundays and Tuesdays. Continuing/To Aug. 31: "Edward Lear: The Painter of Greece." Watercolors created by the British artist (1812-1888) during his travels.

HUNGARY

BUDAPEST
Hungarian National Gallery, tel: (1) 175-7533, closed Mondays. To Sept. 6: "Jozsef Rippl-Ronai." A retrospective of more than 200 works by the Hungarian painter (1861-1927). Rippl-Ronai lived in Paris from 1887 to 1900 and became a member of the Nabis, before returning to Hungary.

ISRAEL

JERUSALEM
Israel Museum, tel: (2) 6470-8811, open daily. Continuing/To Sept. 1: "In the Light of the Menorah." Looks at how the seven-branched candelabra was transformed from a sacred object to a symbol of destruction and redemption. www.imj.org.il

ITALY

FERRARA
Palazzo dei Diamanti, tel: (532) 20-99-88. To Aug. 30: "Thomas Gainsborough." Paintings and drawings by the British artist (1727-1788). Gainsborough's portraits of fashionable personalities brought him fame in London where he lived after 1774.

SIENA
Palazzo Pubblico, tel: (577) 292-209. To Sept. 13: "Tony Cragg." The medieval city hall is the backdrop to the works of the British sculptor (born 1949).

JAPAN

TOKYO
Isaiah Museum, tel: (3) 33-52-11-11, closed Wednesdays. To Aug. 31: "Bojmans van Beuningen Museum: Art of the 20th Century." On loan from the Rotterdam museum, works by Munch, Klee, Chagall and Man Ray.

SINGAPORE

Singapore History Museum, tel: 325-3259, closed Mondays. To December: "House of Jade: The Aw



A 1926 Futurist landscape by Ivo Pannaggi, on view in Lausanne at the Fondation de l'Hermitage.

Boon Haw Collection. Features a selection of jade carvings from the Qing Dynasty (1644-1911), as well as Jasper, quartz and agate ornaments. www.museum.org.sg/ahm/

SOUTH KOREA

SEOUL
Ilmin Museum of Art, tel: (2) 721-7772. To Aug. 10: "Nostalgia in 400 Years: The Shim Su-kyun Family's Ceramic Art." Four centuries ago, when Japan invaded Korea, Korean craftsmen were sent to Japan to develop and teach their art. The exhibition features 140 ceramic works created by 14 generations of potters in the Shim family.

LAUSANNE
Fondation de l'Hermitage, tel: (21) 322-50-01, closed Mondays. To Oct. 11: "Futurisme, 1909-1944: L'Italie Face a la Modernite." Giacomo Balla, Umberto Boccioni, Carrà, Luigi Russolo and Gino Severini were the main representatives of the Italian movement that started in the 1910s. It was the first attempt at a depiction of modern life being penetrated by

SPAIN

BILBAO
Guggenheim Museum Bilbao, tel: (4) 435-9000, closed Mondays. To Oct. 22: "China: 5,000 Anos."

machines and new technologies. The exhibition brings together 130 paintings, sculptures and works on paper.

UNITED STATES

LOS ANGELES
J. Paul Getty Museum, tel: (310) 440-7300, closed Mondays and major holidays. To Oct. 11: "Walker Evans: New York." New York—its people, its streets, its signs, its architecture—was a persistent theme in the work of Walker Evans, better known for his Depression-era images of the rural American South. The exhibition of more than 100 photographs spans the period from 1927 to 1963. www.getty.edu

NEW YORK
Metropolitan Museum, tel: (212) 570-2791, closed Mondays. Continuing/To Aug. 29: "Prayerbook for a Queen: The Hours of Jeanne d'Evreux." Pages from the Hours, illuminated by the French artist Jean Pucelle in the early 14th century. www.metmuseum.org

WASHINGTON
Arthur M. Sackler Gallery, tel: (202) 357-2700, open daily. To Jan. 3: "The Buddha's Art of Healing." Paintings from a medical treatise document the corpus of Tibetan medical knowledge and its concept of treatment, which interweaves spiritual, magical and rational healing practices. This 1820s copy of a 17th-century document was used to train doctors in a remote province of the former Soviet Union and was confiscated during Stalinist purges. <http://180.111.7.240/origins/museum/freer/start.htm>

CLOSING SOON

AMERICAS
Aug. 9: "A Collector's Cabinet." National Gallery of Art, Washington. www.nga.gov
Aug. 9: "Posters American Style." National Museum of American Art, Washington. www.nmaas.si.edu
Aug. 11: "Treasures of African Art from the Tervuren Museum." Museum for African Art, New York.

ASIA
Aug. 9: "Raku: A Dynasty of Japanese Ceramists." Suntory Museum, Tokyo.
Aug. 9: "Cheng Chong Swoe" and "Lin Tze Peng." Singapore Art Museum, Singapore. www.museum.org.sg

EUROPE
Aug. 9: "Henry Moore." Palais Harcourt, Vienna.
Aug. 10: "Arnold Böcklin, Giorgio de Chirico, Max Ernst: Eine Reise ins Ungeheuer." Nationalgalerie, Berlin.

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SPANISH LANGUAGE GUIDE

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Japan	1-800-441-1111	1-800-441-1111
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INTERNATIONAL

'So Many Sick People' in Zimbabwe, Now the Deadly Center of AIDS

By Michael Specter
New York Times Service

TSHOLOTSHO, Zimbabwe — They loaded McDonald Mafu into the donkey cart about 10 minutes after the doctor signed his papers. He had been dead for two days — one less than he lived — but it took his mother a while to make it to the district hospital so far from her home.

The whole transaction lasted about two minutes. Dr. Bart Vander Plaetse took a piece of paper with the words "Notice of the Death of a Person" printed on top. He wrote down the dead boy's name and for his age he scribbled in a fraction: 1/52. Since he had no idea of the cause of death, the doctor listed ARI — acute respiratory infection.

"That's what we say when we can't say something else," Dr. Vander Plaetse explained with a sad shrug. "It'll let his mother bury him."

The next sounds floating through the doctor's window were the thud of a cow bell and the whack of a whip as two donkeys hauled the body to the burial ground across the road. McDonald's mother and grandmother sat in the cart with the cardboard box that held their boy. Several women walked behind softly singing funeral songs.

There were no men at the service: McDonald's

father died a few months ago. His grandfather died last year. A brother died the year before. And three uncles are also gone.

"You almost can't keep track of it all," said Dr. Vander Plaetse, a gentle, 32-year-old internist from Belgium who is one of two doctors serving this rural area of 140,000 people not far from the border of Botswana.

"There are just so many sick people," he said. "We want to control it all and we try. But it's getting harder. There are times when it seems like it's getting out from under us."

Zimbabwe has suddenly turned into the deadly center of the AIDS epidemic. Recent studies suggest that it may have the highest infection rate on earth.

The optimism of the West is a cruel fantasy in Zimbabwe. There are no treatments, no cure, little hope and — in almost every country in Africa — far more pressing problems to face each day.

The savage virus has left few people untouched: It has devastated families, communities and cities. But seen through the weary and often bloodshot eyes of the beleaguered doctors and nurses who must attend to the sick people around them, AIDS is just another word for dying — and it's just another disease.

People here call it *itwyo* — "that thing." In the spare but spotless clinics of Zimbabwe — where

aspirin is available only a third of the time — "that thing" may not even be the one that matters most. With an average of less than \$10 to spend on each person's health every year, most African countries have no money for tests, for fancy drugs or for complicated support networks.

Despite the magnitude of the epidemic, the great majority of people in Africa have no idea if they are infected with HIV, the virus that causes AIDS, and most do not want to know.

Zimbabwe once had a health system that was the envy of southern Africa. Yet, fueled by AIDS and by increasing poverty and instability, illness has begun to overcome the country. Tuberculosis, hepatitis, malaria, measles and cholera — all wholly preventable — have surged mercilessly. So have infant mortality, stillbirths and sexually transmitted diseases.

In 1996, during the last heavy rains, this region in the center of Zimbabwe reported 82,000 cases of malaria — which means that more than half of the local population got sick.

In 1989, 100 people died of malaria in Zimbabwe. Last year the figure was 2,800. Reported cases of tuberculosis — the sentinel illness of poverty and social decline — have risen to 35,000 last year from 5,000 in 1986. This year it is worse.

If the effects of it all are sometimes impossible

to believe, they are also impossible to ignore. Average life expectancy in Zimbabwe — often considered the most reliable barometer of a nation's health — was 61 in 1993. By the end of the century, it will fall to 49.

"AIDS is the basic fact of all our lives," said Dr. Vander Plaetse, whose workday runs from dawn to dusk and includes dealing with everything from setting bones to major surgery. "But it is not the only fact. And to be honest, it is not a fact we can do that much about."

"It may sound callous," he added, "but there may be better ways to spend our time and money than treating a complicated disease we will never have the money or the drugs or the ability to cure." It is an understandable comment from a man who could not send his nurses out in the community in July to distribute vaccines because the Health Ministry had no money left to buy gas for the car.

The epidemic has already killed 10 million people in sub-Saharan Africa — 90 percent of the world's AIDS deaths. Because there is so little hope of access to the best drugs, at least 20 million more will almost certainly die.

Tsholotsho is a two-hour drive from Bulawayo, the nearest big city. Most patients walk — sometimes for days across dried river beds and dusty roads — to get here.

On this day, Dr. Vander Plaetse will sweep from one room to the next, setting bones, operating on an elderly woman with internal bleeding, checking the health of pregnant women, seeing dozens of patients with skin rashes, eye diseases, malaria and tuberculosis.

A woman in a bright red dress, wrapped in a yellow polyester blanket, appears. She is wearing tennis shoes and says she is losing weight, bleeding and having dizzy spells.

He examines her but it is hard to guess her problem.

"Does your neck hurt you?" he asked, after examining her swollen glands. She shrugs.

"Tell her we will give her tablets," Dr. Vander Plaetse says to a nurse who helps him negotiate the roughest spots of the Shona language. "We will give her pills to help her retain water. And we will give her some vitamins."

It's not much, but there is not much else he has to offer. The woman might have malaria or pneumonia or diarrhea or TB or dysentery. Or all of them, or AIDS.

She looks at the pills she is handed as if they were pythons. Then she walks out. The next patient is coughing too hard to talk. Dr. Vander Plaetse decides to let him sit in the hall for a few moments, until he feels better. He never comes back.

Georgian Capital Seeks A Rescue From Ruin

Historians Struggle to Save Tbilisi's Old Town

By Stephen Kinzer
New York Times Service

TBILISI, Georgia — No one here seems to know how Tbilisi's old town avoided the devastation wreaked across the Soviet Union by short-sighted planners who razed countless old neighborhoods to make way for ugly concrete apartment complexes. But survive it did, and today it is a delightful maze of cobbled streets, twisting lanes, colorful wooden facades and marvelous architectural detail.

Much of the old town was declared a historic district in 1975, but although that decree has preserved much of its character, little has been done to restore crumbling facades and interiors. Now architectural historians are mapping the area house by house, and hope to attract international help for a large-scale preservation program.

Buildings in the old town are in styles ranging from Russian and French classical to Art Nouveau. Many could be classified only as highly eclectic. Spiral staircases wind up along ivy-covered facades to deep wooden balconies. Leafy parks, Persian archways, delicate masonry patterns and courtyards shaded by spreading mulberry trees contribute to the visitor's sense of having escaped the modern world.

The old town, which is spread over several hundred acres, is home to thousands of families. Many are poor, but some are young professionals who have begun fixing up old buildings and opening restaurants, cafés, boutiques and art galleries. Reflecting Georgia's history of religious tolerance, there is not only a Georgian Orthodox cathedral but also a mosque, a synagogue, a Russian Orthodox bell tower and an Armenian Gregorian church.

"There's so much history in this area, we can't let it fall apart," a gallery owner said. "Unfortunately, some of the people who have their eyes on this neighborhood just want to wreck what makes it so interesting. We need to find a way to fix it up without ruining it."

Tbilisi has been the capital of Georgia since 458, and what is now the old town is its traditional center. It has been destroyed several times, most recently by Persian invaders in 1795. Among the district's historical monuments is one commemorating the sacrifice of the "300 men of Aragvi," warriors who died while rescuing Georgia's king during the 1795 battle.

Georgia's location astride ancient trade routes has made it a melting pot

for Asian and European influences, and both are visible in Tbilisi's old town.

Many homes seem to have been built with an eye toward providing open space on terraces or in gardens, a testament to the communal nature of Georgian society. Georgians like to say that friends and good company are among life's greatest pleasures and that living within one's own four walls is little more than a form of imprisonment.

Although street patterns in the old town are ancient, most of its buildings date from the 19th and early 20th centuries. Some are being defaced by tasteless renovation and poor materials, but the greatest threat to the neighborhood is decay and neglect.

In a 150-year-old caravansary, where Silk Road traders once gathered, 22 families live in tiny rooms and share a single toilet.

City officials want to restore the building, perhaps turning it into an elegant guest house. Residents say they will move only if suitable housing can be found for them nearby. They have turned down an offer of quarters in a Soviet-style apartment complex on the edge of Tbilisi.

Another caravansary nearby is so decayed that little more than a brick shell remains. Garbage is piled in what was once the basement.

"Too much shame, too much," lamented Mzia Mania, one of the architectural historians plotting a strategy to rescue the old town, as she passed by one morning. Working with a grant from the World Bank, Ms. Mania and three colleagues are trying to decide which buildings are best candidates for careful restoration. Lack of money is her biggest challenge, but hardly the only one. The old town is full of cracked facades, flaking plaster, decomposing bricks and rotting beams.

"Tbilisi lacks a good system for controlling groundwater," Ms. Mania said. "Dampness seeps up and destroys more than the Soviets did."

While hoping for outside help, Ms. Mania and her colleagues are drafting a plan to create "urban islands" of individual blocks or buildings. "This way we could concentrate our resources on places that are especially beautiful or especially endangered or have especially great potential," she said. "Most people here understand that the old town is something very precious. We have to go further, to show them that it is a monument of worldwide importance and that with the right care it could again be something truly glorious."

IRAQ: Firm Response From UN

Continued from Page 1

company a team of UN weapons experts, forcing them to abandon their planned searches, an Iraqi government official said. The weapons teams cannot work without escorts under the agreement between the United Nations and Iraq.

Team members were not allowed to conduct "discussions with Iraqi authorities on arms or visits to sites or searches for past weapons," the official said.

A White House spokesman, P.J. Crowley, said Iraq "noncompliance" is completely unacceptable.

"We will not allow Iraq access to resources necessary to restart their weapons of mass destruction program," he said. "We will continue to keep the pressure on until Iraq complies fully with their ob-

ligations." Mr. Crowley called Iraq's decision "counterproductive," warning, "There is no prospect that Iraq will obtain a lifting of sanctions until it fully cooperates."

He confirmed that Iraq did not provide its normal escorts for an inspection team carrying out an unscheduled check, but said routine monitoring otherwise continued.

On Thursday, convoys of UN vehicles carrying some monitoring officials left the UN headquarters near Baghdad, followed by cars with Iraqi officials. No one interfered with their work.

"Ongoing monitoring continues," a UN spokesman, Janet Sullivan, said.

Some 460 sites in Iraq have been inspected and are being monitored. About 100 UN experts visit the sites or use remote-controlled cameras and sensors.



An Iraqi soldier watching a UN team head out from Baghdad on Thursday as some monitoring continued.

latest move will only delay the moment when the Security Council can consider the removal of sanctions," he said. Britain has been a staunch opponent of relaxing sanctions on Iraq.

France — another permanent Security Council mem-



Hanan Ashrawi telling of her resignation Thursday.



Abdul Jawad Saleh, discussing his decision to quit.

PALESTINE: In Rebuke to Arafat, 2 Resign From His Cabinet

Continued from Page 1

estinian Authority, which rules Gaza and parts of the West Bank.

Along with the stalled pace of progress toward a broader peace with Israel, the chief causes have been worsening economic problems in Palestinian-ruled areas and the nearly universal perception that his Palestinian Authority is corrupt and inefficient.

But the departures seemed unlikely to evolve into any real threat to his leadership, Palestinian analysts said.

In the shuffle that he announced on Wednesday, Mr. Arafat added 10 new members to the 18-member cabinet, but he did not dismiss any of those most widely seen as corrupt.

Mrs. Ashrawi, who was one of two female members of the cabinet, gained international visibility as the spokeswoman for the Palestinian delegation to the Middle East peace conference in Madrid in 1991. She has appeared frequently on American television, and she had served since 1994 as minister of higher education.

As part of the shuffle, Mr. Arafat had asked Mrs. Ashrawi to move to the Tourism Ministry. Mrs. Ashrawi announced that she had decided not to accept that appointment, and she made clear that the reason for her refusal to join the new team was based on more than a job preference.

"Being part of this new formation in my opinion will not achieve anything," she told reporters in the West Bank town of Ramallah. She described herself as part of a "genuine change and reform campaign."

CLINTON: Starr Inquiry Enters Endgame as Lewinsky Testifies Before the Grand Jury

Continued from Page 1

and the congressmen seated on the lawn before him, gave no sign of hearing questions shouted loudly and insistently by a reporter: "Are you concerned about Lewinsky testifying today? ... Are you sticking with your story, your denial?"

Later, a White House spokesman, Barry Toiv, said that the president "has not expressed any view to us" on Ms. Lewinsky's testimony. Mr. Toiv quoted Mr. Clinton as saying only that if the testimony meant "we're nearing the end of this four-year, over \$40 million investigation, then that would be a good thing."

Ms. Lewinsky's testimony has been keenly awaited since Mr. Starr began investigating her relationship with Mr. Clinton on Jan. 26. He was authorized

days earlier to include it in an investigation that began as an inquiry into land dealings by the president and his wife.

The president has no plans to comment publicly on the matter, aides say, before his scheduled testimony Aug. 17 from the White House. That extraordinary appearance will be broadcast by closed-circuit television — the signal will be scrambled for security — to the jurors in the courthouse, several blocks away.

While it was unclear how Ms. Lewinsky's testimony would play out, her credibility was automatically a question: If she in fact tells the jury that she and Mr. Clinton had a sexual relationship, then she will be conceding that she lied Jan. 7 when she signed an affidavit in the Paula Jones sexual harassment case denying such a relationship.

Nonetheless, opinion polls show that by a very slender margin, Americans would be more likely to believe her than him about such a sexual affair.

Because Ms. Lewinsky is testifying under a sweeping grant of immunity — extended as well to her mother, Marcia Lewis, and to her father, Bernard Lewinsky — the grand jury might be expected to believe that she has no reason now to lie.

In the end, legal analysts say, the grand jury's assessment of Ms. Lewinsky's credibility might not matter. Mr. Starr may elect not to use the jury to seek an

indictment of a sitting president, which might be barred by the constitution.

Instead, legal analysts say, Mr. Starr may use the grand jury proceedings to complete his investigation in order to provide a fuller report, expected by late next month, to Congress in view of potential impeachment proceedings.

Democrats have tried to play down that threat. On Capitol Hill, the House minority leader, Richard Gephardt of Illinois, said it would be a "grave mistake" for Mr. Starr to send a report to Congress in the weeks leading up to the November midterm elections.

Anticipation of Ms. Lewinsky's appearance was so intense that courthouse security officials had met with news media executives about ways to maintain decorum.

On Thursday, tourists and passers-by were outnumbered by the more than 100 reporters and cameramen.

One tourist, George Hancock of Bowling Green, Kentucky, carried a bright yellow sign bearing the words "Good Luck, Monica." "I just want her to know that we wish her well," he told a gaggle of reporters who surrounded him.

Reviving Executive Privilege

Susan Schmidt and Ruth Marcus of The Washington Post reported earlier:

Mr. Clinton has moved to block White

CONGO: Rebels Widen War

Continued from Page 1

shasa from the country's sole seaport.

Despite these troubles, Mr. Kabila promised a long war, saying that "ordinary Congolese" may be called upon to take up arms to defend the country.

Mr. Kabila has been anything but a broadly popular leader since overthrowing Mr. Mobutu, but the government's sharply nationalist rhetoric has apparently struck a powerful chord, at least in Kinshasa and other areas of the west, where interference in the country's affairs by Rwanda is deeply resented.

The depth of anti-Rwandian and anti-Tutsi feeling in much of western Congo raises questions about whether a rebel movement like the current one can credibly seize power even if it manages to defeat Mr. Kabila.

"They have been trying hard to broaden their base in the last couple of days and find some non-Tutsi names to identify the rebellion with, but this is going to be a real problem later," said a European diplomat. "The people of Congo are not likely to accept any kind of movement that springs from Rwanda."

At a demonstration attended by thousands Thursday in the capital, Congolese youth carried banners denouncing the Rwandans and the Tutsi in particular, chanting slogans never to surrender to their country's smaller neighbor.

There have also been persistent reports since the start of the uprising of a campaign of house-to-house arrests of Congolese Tutsi in the capital, in which hundreds of people have been led away to detention.

A Western diplomat who spoke on the condition of anonymity said Thursday that he found credible reports that as many as 800 Tutsi have been interned at Camp Tshatshi, a military base on the outskirts of Kinshasa.

MOTHER: For Years, Her Babies Died — Now, Murder Charges

Continued from Page 1

Authorities, who declined to speculate on a motive, said insurance policies were taken out on six of the children.

According to court papers, all the children allegedly were murdered between April 1949 and January 1968 in the modest home the Noes occupied in a rundown blue-collar neighborhood.

The investigation "indicates that all of the babies were normal at birth and all of them were healthy and developing normally," an affidavit for probable cause for an arrest warrant stated.

"All of the eight infants were in the exclusive custody of the mother, Marie Noe, at the time of their deaths. All eight infants were described by the mother, Marie Noe, as gasping for breath and turning blue in her reports to either neighbors or rescue personnel who were called by her and who discovered her to be alone with the babies," the affidavit continued.

All eight infants were pronounced

dead on arrival at the various hospitals where they were taken. Upon pronouncement of death, there was no physical evidence of trauma and no reasonable medical explanation nor any finding of natural disease as to the cause of the deaths," the affidavit added.

After an article in the magazine Philadelphia and in a book, "The Death of Innocents," which contended that most multiple crib deaths in the same family should be considered as possible homicides, police reopened the investigation.

According to court papers, death certificates and autopsy reports were reviewed by Dr. Hareesh Mirchandani, Philadelphia's medical examiner, and his deputy, Dr. Ian Hood. Both concluded all eight infants were suffocated.

The affidavit supporting the arrest warrant said Mrs. Noe admitted suffocating her first child, Richard Alan, who was born March 7, 1949, and taken home in good health from Temple University Hospital. After 31 days, he was dead.

She also admitted, the court papers

said, killing her daughter Elizabeth Mary, who after five months and nine days was pronounced dead-on-arrival in Temple's emergency room.

She said she may have suffocated her third child, Jacqueline, who was pronounced dead at another hospital after 21 days of life, and her fifth, Constance, who was born Feb. 24, 1958, and died after 28 days.

At one point during an earlier investigation, detectives interviewed Dr. Abraham Perlman, who was working in the pediatrics department of St. Luke's Hospital and remembered taking a newborn named Constance.

Because of the previous deaths, the physician ordered extensive tests for the infant. All the tests were normal.

"Upon discharge from the hospital, Dr. Perlman told Mrs. Noe that Constance Noe was a beautiful baby," the court papers said. "She's not going to live — make it," Mrs. Noe responded, according to the court papers. "Just like the others."

Compiled by Our Staff From Dispatches

person, Chinese analyst. It's more focused on will Hong Kong go, will China go, and what that means for Korea and Taiwan." (Bloomberg, Reuters)



By John Schmid
International Herald Tribune

the country. Manufacturing activity remained at a high level, although the GM strike, weakening demand for exports and general slowing in the high-

By John M. Berry
Washington Post Service

In fact, Commerce Department figures show that after-tax profits for all

That strength was reflected in the results of the Fed's latest nationwide survey of economic conditions, released

GM strike, weakening demand for exports and general slowing in the high-

■ U.S. Factory Orders Rise

Orders to U.S. factories edged up 0.1 percent in June, the Commerce Department said.

The decline in aircraft orders has been attributed in part to the Asian financial crisis, which has reduced orders from carriers in the region.

former White House intern. "Lewinsky Situation Stirs Political Fears, Unset-

ket hates, it's uncertainty."
Yes, but uncertainty is always with

See MARKET, Page 17

By Sharon R. King
New York Times Service

fall 15 percent to 20 percent from its recent high. Such a drop would push the

convincing rebound.
 "The market didn't respond to Abby like it's done in the past," the Wall Street



By Sharon R. King
New York Times Service

On Tuesday, Mr. Acampora helped unleash a stock market plunge, a 299-point decline in the Dow, by forecasting on CNBC that the blue-chip index could

While the Dow closed up 59.47 points Wednesday, it was a less-than-

bearish turn will be watched closely. "To make this statement, I really had to believe it. This is a career call. If it goes straight to 10,000, people are not going to be too happy with me."

Cross Rates										Libid-Libor Rates									
Australian	1.973	3.555	12.977	8.383	8.114*		5.685*	1.339	1.339	1.289	1.289								
Banque	1.973	3.555	26.618	41.088	22.008*		5.685*	1.339	1.339	1.289	1.289								
Banknote	1.973	3.555					5.685*	1.339	1.339	1.289	1.289								
France	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
Germany	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
India	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
Japan	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
Malaysia	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
New York	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
Switzerland	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
Taiwan	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
Thailand	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
Turkey	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
Yugoslavia	1.973	3.555	2.887	5.675	2.883	3.232	2.938	2.938	2.938	2.938	2.938								
1 ECU	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.675	1.973	5.675	1.973								
1 DEM	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.675	1.973	5.675	1.973								
1 SDR	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.675	1.973	5.675	1.973								
1 Gold	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.675	1.973	5.675	1.973								
1 OIL	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.675	1.973	5.675	1.973								
1 LBS	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.675	1.973	5.675	1.973								
1 YEN	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.675	1.973	5.675	1.973								
1 HKD	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.675	1.973	5.675	1.973								
1 INR	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.675	1.973	5.675	1.973								
1 BRL	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.675	1.973	5.675	1.973								
1 RMB	1.1119	6.611	1.973	5.675	1.973	5.675	1.973	5.67											

[illegible]

Forward Rates				6-month Interbank			10-year Govt bond		
Currency	30-day	60-day	90-day	30-day	60-day	90-day	30-day	60-day	90-day
Japanese yen	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Swiss franc	1.5190	1.5185	1.5185	1.5247	1.5219	1.5171	1.5247	1.5219	1.5171
Deutsche mark	1.7569	1.7525	1.7527	1.7647	1.7599	1.7551	1.7647	1.7599	1.7551
Canadian dollar	1.2516	1.2516	1.2516	1.2516	1.2516	1.2516	1.2516	1.2516	1.2516
British pound	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Italian lira	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Spanish peseta	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Portuguese escudo	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
French franc	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Belgian franc	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Dutch guilder	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Austrian schilling	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Greek drachma	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Israeli sheqel	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Indian rupee	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Pakistani rupee	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Sri Lankan rupee	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Thai baht	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Yugoslav dinar	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
South African rand	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Kenyan shilling	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Ugandan shilling	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Tanzanian shilling	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Malaysian ringgit	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Singapore dollar	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Philippine peso	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Indonesian rupiah	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Malay dollar	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Brunei dollar	1.6293	1.6264	1.6259	1.6387	1.6319	1.6261	1.6387	1.6319	1.6261
Sierra Leonean leone	1.6293	1.6264	1.6259	1.6387	1.6319	1.62			

Zurich	N.A.	287.75	+ 0.25
London	286.85	287.00	- 0.15
New York	289.00	289.00	0.00
U.S. dollars	per ounce	299.00	0.00
Swiss francs	Zurich and New York opening		
and closing prices	New York closing		

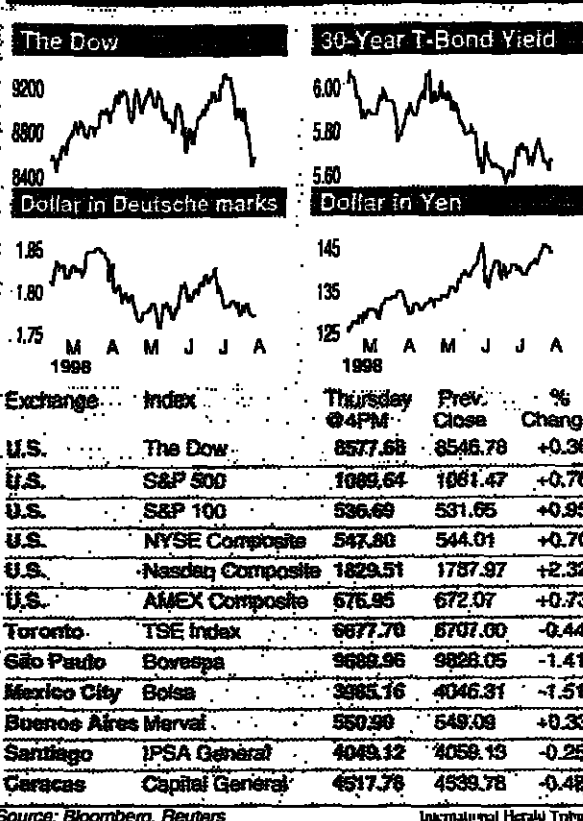
SOURCE: ING Bank (Amsterdam), KBC Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Montreal); Citicorp (New York). * Only data from the Associated Press, Bloomberg and Reuters.

SOURCE: Reuters.

(continued)

THE AMERICAS

Investor's America



Very briefly:

- International Business Machines Corp. is buying the 46 percent of IBM South Africa Group Ltd. that it does not already own. It will cost IBM \$142.4 million.
 - Ocean Spray Cranberries Inc. said it was concerned about PepsiCo Inc.'s pending purchase of Seagram Co. Inc.'s Tropicana juice unit. Pepsi and its bottlers distribute Ocean Spray juice drinks, which compete with Tropicana's products.
 - Lucent Technologies Inc., the top seller of phone equipment in North America, said it was looking for further acquisitions to enable it to deliver faster data networking.
 - Brandywine Realty Trust agreed to buy closely held Commonwealth Atlantic Properties, controlled by Lazard Freres & Co. for \$612 million in cash, securities and assumed debt.
 - The Chicago Board of Trade, the world's largest futures exchange, and the Chicago Mercantile Exchange are discussing a merger to defend their trading floors against competition from low-cost computer networks.
 - Sara Lee Corp.'s fourth-quarter net profit rose 8.6 percent, to \$303 million, from a year earlier on the strength of its cost-cutting program.
- AP, Bloomberg, Reuters

Microsoft Gets Ready for Court

Firm Says Its Internet Plans Existed Before Netscape

By Steve Lohr
New York Times Service

NEW YORK — On April 6, 1994, Bill Gates summoned 20 employees of Microsoft Corp. to a daylong retreat. The gathering included senior executives and a small group of younger workers who had become convinced that the Internet would revolutionize the computer software business.

Mr. Gates left no doubt that he agreed with the young evangelists, even though the Internet was not yet a household term or an industry. One person who attended the meeting recalled the Microsoft chairman saying, "We're going to make a big bet on the Internet."

In its sweeping antitrust suit against Microsoft, the Justice Department contends that the company's aggressive tactics in operating its deep pockets and wielding its market muscle in the Internet software business were intended to protect and expand its monopoly — by crushing a new challenger, Netscape Communications Corp.

But in a detailed reply to the government's suit, which must be filed in federal court no later than

Monday, Microsoft will argue that the 1994 retreat, as well as other Microsoft discussions and documents dating to late 1993, show that the company's Internet plans were under way before Netscape rose to challenge Microsoft. The retreat occurred just two days after the founding of Netscape.

Microsoft allows that its tactics did eventually hurt Netscape, but says that was a byproduct of its main intent, which was to improve its products and benefit consumers. Few concrete plans were set that day in April 1994. But several participants say there was agreement on one strategy: that the Windows operating system, Microsoft's mainstay product, should have built-in access to the Internet.

"People walked away from that April 6 meeting knowing in broad terms what they had to do," recalled J. Allard, who is now general manager of Microsoft's Internet and data-access unit but then was the program manager for Internet activities.

The government's case does not rest solely on Microsoft's intentions toward Netscape. The Justice Department says that Microsoft

engaged in a series of illegal practices, including contracts with personal-computer makers and others that were meant to thwart competition, and it accuses the company of eventually trying to persuade Netscape to divide up the market for Internet browsers — all of which Microsoft denies.

A senior Justice Department official said this week that evidence in the government's case showed a pattern of anticompetitive behavior by a company that was "simply hell-bent on driving a competitor out of the market." Microsoft's defense, he says, is a "grand exercise in revisionist history."

The government's accusation that Microsoft's Internet software plans were designed not to improve its products or to benefit consumers but to destroy Netscape provides the context for the case, a context that seeks to explain Microsoft's actions.

"Intent is relevant because it provides a road map for the court to follow," said Stephen Axline, a leading antitrust litigator in New York. In court, Microsoft will argue that the Justice Department's road map is distorted.

Yen Slips on Doubts About Tax Cuts

Bloomberg News

NEW YORK — The dollar rose against the yen on Thursday as doubts grew that tax cuts proposed by Prime Minister Keizo Obuchi

the yuan.

Mr. Obuchi said on Friday that he would propose cutting income and corporate taxes by more than 6 trillion yen (\$41.72 billion).

"All the news is out on Obuchi's speech, and we're not at all impressed," said Jeremy Fand, a currency strategist at BankBoston in Boston.

The dollar was quoted at 143 P.M. at 144.275 yen, up from 143.950 yen Wednesday.

It was quoted at 1.7720 Deutsche marks, up from 1.7695 DM; at 5.9335, up from 5.9335, and at 1.4934 Swiss francs, up from 1.4885.

The pound fell to \$1.6348 from \$1.6365.

Foreign exchange traders were keeping a wary eye on the U.S. stock market. The dollar fell Tuesday, when the Dow Jones industrial average fell nearly 300 points.

Falling stocks hurt the dollar because when international investors sell stocks they generally sell their dollar proceeds to obtain their home currencies.

The dollar rose to a record high of 1.5217 Canadian dollars, up from 1.5178 dollars on Wednesday.

The Bank of Canada said between \$40 million and \$50 million of its U.S. dollar reserves to stem the slide of its currency, according to traders in Toronto and New York.

FOREIGN EXCHANGE

would do much to stimulate the Japanese economy.

The dollar was also supported against the yen by speculation that China might devalue its currency.

Sunbeam to Restate Financial Results

Reuters

DELRAY BEACH, Florida — Sunbeam Corp., whose finances are the target of a probe by federal regulators, said Thursday it would restate its results for the 1998 first quarter, the full year 1997 and possibly 1996.

The struggling household appliance maker, whose formerly high-flying stock has been sav-

aged in recent months, said it expected the restatement to cause "material adjustments."

Last month Sunbeam confirmed published reports that the U.S. Securities and Exchange Commission was investigating its accounting methods.

Sunbeam shares were down \$1 to \$7 in late trading Thursday on the New York Stock Exchange.

U. S. STOCK MARKET DIARY

Indexes	Dow Jones	S&P 500	Nasdaq	AMEX
High	8577.68	1069.64	1829.51	676.86
Low	8546.78	1061.47	1787.97	672.07
Open	8577.68	1069.64	1829.51	676.86
Close	8577.68	1069.64	1829.51	676.86
Change	+0.36	+0.76	+2.32	+0.73

Most Active	NYSE	Nasdaq	AMEX
High	8577.68	1829.51	676.86
Low	8546.78	1787.97	672.07
Open	8577.68	1829.51	676.86
Close	8577.68	1829.51	676.86
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Trading Activity	NYSE	Nasdaq	AMEX
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Low	8546.78	1787.97	672.07
Open	8577.68	1829.51	676.86
Close	8577.68	1829.51	676.86
Change	+0.36	+2.32	+0.73

Dividends	NYSE	Nasdaq	AMEX
High	8577.68	1829.51	676.86
Low	8546.78	1787.97	672.07
Open	8577.68	1829.51	676.86
Close	8577.68	1829.51	676.86
Change	+0.36	+2.32	+0.73

STOCK SPLIT	NYSE	Nasdaq	AMEX
High	8577.68	1829.51	676.86
Low	8546.78	1787.97	672.07
Open	8577.68	1829.51	676.86
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U.S. Stock Tables Explained	NYSE	Nasdaq	AMEX
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Buyers Seek Bargains As Stocks Edge Up

Compiled by Our Staff From Dispatches

NEW YORK — Stocks rose in cautious trading Thursday as investors shopped for issues likely to weather an economic slowdown with reasonable profit growth.

The Dow Jones industrial average closed 30.90 points higher at 8,577.68, and the Standard & Poor's 500 index finished 8.21 points higher at 1,069.64. Advancing issues outnumbered declining ones by a 4-to-3 ratio on the New York Stock Exchange.

Trading was quiet compared with previous sessions this week. On Tuesday, the Dow dropped nearly 300 points for its third-biggest point loss ever. Investors have been left wondering whether the decline from records has run its course.

"There are excesses in the market that have to be worked out," said Peter Coolidge, managing director of equity trading at Breen Murray & Co. "Is this the end of the bull market? That's up for debate."

Investors bought technology stocks Thursday on confidence that prices are now in line with the outlook for profits. The Nasdaq composite index closed up 41.31 points, at 1,829.51.

"They got pounded so hard prior to this correction that there's a sense that maybe they've come over the hump and the worst is behind them," said Guy Truick, a money manager at Unity Management.

Intel rose 2 1/2 to 87, Compaq Computer added 1 1/2 to 33 1/2 and Microsoft rose 2 9/16 to 106 1/4.

But American Express, United Healthcare and other companies reporting weak profits or profit forecasts plunged.

American Express fell 7 1/4 to 101

3/16 after the travel and financial services firm told analysts second-half revenue growth would not match that of the first half because of slowing Asian economies.

United Healthcare fell 15 1/2 to 37 1/4 after the health-maintenance organization posted a second-quarter loss of \$565 million, reflecting \$900 million in costs related to a realignment of its businesses.

Humana, another HMO that has agreed to be acquired by United for \$5.5 billion, said it would speak with United about the impact of the charge on the deal. Humana fell 6 1/2 to 19. Medtronic fell 5 1/2 to 53 1/2 after the medical device maker warned it would post disappointing results for

U.S. STOCKS

its first quarter ended July 31. Medtronic blamed a sharp decline in sales of stents and balloon catheters used in coronary angioplasty.

Retailing stocks were strong after several chain stores reported strong sales in July. Consumer spending, which accounts for a third of U.S. economic growth, has remained strong despite a slowing in other economic indicators.

Wal-Mart Stores rose 3 to 64, J.C. Penney rose 2 1/2 to 56 1/2 and Gap rose 2 1/2 to 61 1/2.

The Treasury bond market also was quiet, with the price of the benchmark 30-year issue slipping 1/32 point to close at 106 13/16. The yield was steady at 5.67 percent.

Investors were awaiting data on U.S. employment for July, which will be released Friday. The report will offer another indication of how the U.S. economy is handling a slowdown.

(Bloomberg, AP)

WorldCom to Sell \$6 Billion in Bonds

Bloomberg News

NEW YORK — WorldCom Inc. said Thursday it would sell a record \$6.1 billion of bonds to help pay for its acquisition of MCI Communications Corp.

Investor demand for the securities, expected to yield between 6.06 percent for bonds due in three years and 7 percent for 30-year bonds, prompted the long-distance phone company to increase the sale from \$5 billion.

WorldCom's bonds are expected to be well received, even though lackluster demand led sev-

eral firms to postpone or reduce bond sales over the past two weeks. WorldCom's track record of strong growth is expected to continue after its purchase of MCI.

"Because of the quality of this particular company, they should have no problem selling that deal," said John Bianchi, a bond manager at Smith Barney Asset Management.

WorldCom is in a fast-growing industry and is relatively insulated from any slowdown in the U.S. economy or turmoil in Asia, Mr. Bianchi said.

INTERNATIONAL FUTURES

Aug. 6, 1998

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EUROPE

Russia Oil Companies
Warned to Pay Taxes

In Fiscal Pinch, Moscow Tries to Get Tough

By Michael Wines
New York Times Service

MOSCOW — The government's tax collectors swooped down on three of Russia's biggest oil companies Thursday, seizing executives' cars, apartments and other assets to hammer home a demand for more than \$150 million in back taxes.

The seizures came atop new indications that President Boris Yeltsin's economic advisers, unlike his previous ones, are serious about carrying out Moscow's latest last-ditch program to stave off fiscal collapse.

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Shell's Earnings
Slump by 17%

Compiled by Our Staff From Dispatches

AMSTERDAM — Royal Dutch/Shell Group on Thursday reported earnings of \$1.54 billion for the second quarter, a fall of 17 percent from a year earlier.

The company blamed low oil prices and the Asian crisis. The earnings for the quarter, which ended June 30, were at the low end of analysts' expectations.

Sales fell by 17 percent, to \$34.7 billion. "Globally, the outlook for the second half of the year is for further deterioration," the company warned.

Royal Dutch shares closed down 7.80 guilders, at 92.10 guilders. In London, Shell closed off 26.5 pence, at 356 pence.

"The quality of these figures is poor, and the company has a great deal of work to do to get these numbers up," said Jürgen Lunshof, an analyst with Credit Lyonnais Securities.

(AP, Bloomberg)

Investigators from the Russian State Tax Service moved on the offices of Eastern Oil. Onako and Sidanko, the three petroleum companies, less than a day after Prime Minister Sergei Kiriyenko met oil executives privately to demand back payments and discuss changes in tax policies.

The Tax Service's chief of corporate collections, Vladimir Popov, said that the raids ought not to be regarded as evidence of a war against businesses, but as "the beginning of a well-thought-out program of working with major taxpayers like oil companies."

Investment analysts agreed that the actions were well thought out. "It's an inexorable process," said Tom Adshad, the co-director of research at United Financial Group in Moscow. "They're going down the list of big tax debtors, one by one. There are a lot of people out there who owe them money."

Mr. Yeltsin said only last week that he expected this autumn to be politically difficult, and the government's newfound toughness reflects preparations for that.

The government is in a political and fiscal bind. International lenders have made it clear that they will pull their money out and refuse to make new loans — bankrupting the government — unless Russia reforms its tax system and improves collections.

But those very changes seem destined to enrage citizens who have already lost wages or pensions to corruption, inflation or economic collapse and who find new taxes repugnant. Russia has increased tax collections for three straight months, to about \$1.9 billion in July, and it plans to pass the \$2 billion mark in August. But those amounts are still only about 80 percent of the goal set by the International Monetary Fund, which controls a \$22.5 billion loan package designed to keep the government solvent while it works on the economy and its fiscal structure.

Like many outside experts, Mr. Adshad of United Financial Group says Moscow has only until autumn to demonstrate that it is on the road to recovery. "It's the October numbers where people are really expecting the government to deliver," he said.



Boris Fyodorov, right, the head of Russia's Federal Tax Service.

Zeneca Reassures Investors
After Pound Erodes Profit

LONDON — Zeneca Group PLC reassured investors it was on course to meet earnings growth targets on Thursday, despite an \$81 million (\$132.6 million) profit hit from the effect of the strong pound in the first half of the year.

The currency impact was the major factor behind a 2 percent fall in pretax profit to £654 million at the pharmaceuticals and chemicals group, just below consensus forecasts of £660 million.

Group sales rose 5 percent to £2.89 billion. Zeneca's shares touched a low of £21.84 in early trading as the market struggled to digest the results, which were also skewed by £65 million of charges for integration costs, plant closures and the millennium bug.

But a confident performance by management at an analysts' meeting soothed nerves about the group's agrochemicals business and the slower-than-expected acceptance of newer drugs, including the migraine tablet Zomig and the schizophrenia treatment Serenol.

The stock ended the session up 15 pence at £22.80. "This was a sound set of figures," said the Salomon Smith Barney analyst Kevin Wilson, who added that the group had given positive indications on its long-term potential.

Central Bank
In Britain
Leaves Rate
Unchanged

Agence France-Press

LONDON — The Bank of England said Thursday it was leaving its benchmark interest rate unchanged at 7.5 percent in August, a decision met with relief by hard-pressed manufacturers.

With evidence piling up that the British economy is cooling, economists have argued recently that rates should no longer rise, or should even come back down.

The deputy director-general of the British Chambers of Commerce, Ian Peters, said the decision to hold rates steady "reflects the now abundant real world evidence that the economy is slowing sufficiently."

The central bank was made independent by the government in May 1997 and given the target of holding inflation at 2.5 percent a year.

Since then, the bank has increased the base rate six times, angering business and pushing the value of the pound higher, hurting the profits of exporters.

The Bank of England has had to weigh conflicting evidence in its fight against inflation. Although manufacturing has slumped, the service sector has remained relatively strong and wages have continued to rise.

The government argues that low productivity is the chief problem.

Reed Elsevier Recasts Management

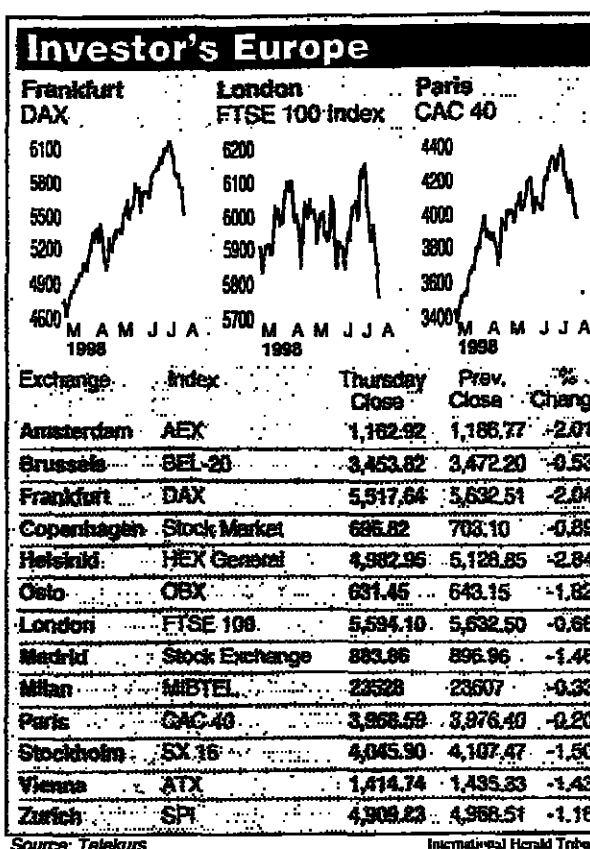
LONDON — The Anglo-Dutch publisher Reed Elsevier PLC reported stronger profit than analysts expected on Thursday and said it was streamlining management to oversee its transition to a mixed print and electronic publishing business.

The company posted an adjusted pretax profit of £413 million (\$660.8 million) for the first six months of the year, down from £419 million a year ago, but that still topped market expectations. Sales slipped to £1.59 billion from £1.68 billion a year ago.

The publisher said profit was dented by the strong pound and investments in new product development.

Reed Elsevier is the operating company of Britain's Reed International and the Netherlands' Elsevier NV, which each own 50 percent of the company. Elsevier's Herman Bruggink and Reed's Nigel Stapleton currently serve as co-chairmen.

Under the new structure, the publisher would merge its two management boards and hire a new chief operating executive from outside the company.



Very briefly:

• Barclays PLC's first-half pretax profit rose to £1.29 billion (\$2.11 billion) from £1.27 billion. The British bank said provisions for bad loans rose to £129 million from £90 million and that underlying costs rose 4 percent while income rose 7 percent.

• LVMH Moët Hennessy Louis Vuitton SA has sold the Pere Magloire brand of Calvados to private investors to allow its Verve Cliquet unit, which controlled the brand, to expand in champagne. LVMH did not disclose the price. Finance du Pays d'Auge, which bought the brand, now controls 30 percent of the production of Calvados, a strong liqueur made from apples, according to the French newspaper Le Figaro.

• VIAG Air's first-half pretax profit rose 28 percent, to 1.92 billion Deutsche marks (\$1.08 billion), as the conglomerate improved performance at its Bayernwerk, SKW and VAW units. Sales rose 13 percent, to 26.77 billion DM.

• Aeroflot-Russian International Airlines will receive a \$350 million syndicated loan from a group of foreign banks to lease 10 new Boeing 737-400 airplanes. The 12-year loan is guaranteed by the U.S. Export-Import Bank and was arranged by Chase Manhattan Bank.

• The Bank of Israel cut its benchmark lending rate to 9.5 percent from 11 percent, the eighth rate cut this year.

• Teva Pharmaceutical Industries Ltd., Israel's largest drugmaker, said second-quarter profit fell 50 percent, to \$1.7 million as the company failed to get new drugs approved for U.S. use and sales in Israel fell.

• Renault SA's first-half revenue rose 22 percent, to 121.69 billion francs (\$20.51 billion), driven by the success of its Megane models, the Clio II and the Kangoo series.

• Bayerische Motoren Werke AG said Asian sales fell 31 percent in the first half, to 33,700 units. Bloomberg, Reuters, AFP

WORLD STOCK MARKETS

Thursday, Aug. 6

Daily prices in local currencies.

Tel Aviv

High Low Close Prev.

www.asec.co.il

ASEC Index: 1182.92

ASEC 100 Index: 1182.92

ASEC 200 Index: 1182.92

ASEC 300 Index: 1182.92

ASEC 400 Index: 1182.92

ASEC 500 Index: 1182.92

ASEC 600 Index: 1182.92

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ASEC 6900 Index: 1182.92

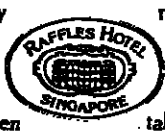
ASEC 7000 Index: 1182.92

Thursday 3-4 P.M. Close
The 2,600 most traded stocks of the day.
Nationwide prices not reflecting late trades elsewhere.
The Associated Press

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12 Month	Low	High	Stock	Div	Yld	P/E	52 Wk	Low	High	Low	High
13.00	12.00	14.00	100	1.00	4.00	10.00	100	100	100	100	100
12.50	11.50	13.50	100	1.00	4.00	10.00	100	100	100	100	100
12.00	11.00	13.00	100	1.00	4.00	10.00	100	100	100	100	100
11.50	10.50	12.50	100	1.00	4.00	10.00	100	100	100	100	100
11.00	10.00	12.00	100	1.00	4.00	10.00	100	100	100	100	100
10.50	9.50	11.50	100	1.00	4.00	10.00	100	100	100	100	100
10.00	9.00	11.00	100	1.00	4.00	10.00	100	100	100	100	100
9.50	8.50	10.50	100	1.00	4.00	10.00	100	100	100	100	100
9.00	8.00	10.00	100	1.00	4.00	10.00	100	100	100	100	100
8.50	7.50	9.50	100	1.00	4.00	10.00	100	100	100	100	100
8.00	7.00	9.00	100	1.00	4.00	10.00	100	100	100	100	100
7.50	6.50	8.50	100	1.00	4.00	10.00	100	100	100	100	100
7.00	6.00	8.00	100	1.00	4.00	10.00	100	100	100	100	100
6.50	5.50	7.50	100	1.00	4.00	10.00	100	100	100	100	100
6.00	5.00	7.00	100	1.00	4.00	10.00	100	100	100	100	100
5.50	4.50	6.50	100	1.00	4.00	10.00	100	100	100	100	100
5.00	4.00	6.00	100	1.00	4.00	10.00	100	100	100	100	100
4.50	3.50	5.50	100	1.00	4.00	10.00	100	100	100	100	100
4.00	3.00	5.00	100	1.00	4.00	10.00	100	100	100	100	100
3.50	2.50	4.50	100	1.00	4.00	10.00	100	100	100	100	100
3.00	2.00	4.00	100	1.00	4.00	10.00	100	100	100	100	100
2.50	1.50	3.50	100	1.00	4.00	10.00	100	100	100	100	100
2.00	1.00	3.00	100	1.00	4.00	10.00	100	100	100	100	100
1.50	0.50	2.50	100	1.00	4.00	10.00	100	100	100	100	100
1.00	0.00	2.00	100	1.00	4.00	10.00	100	100	100	100	100
0.50	0.00	1.50	100	1.00	4.00	10.00	100	100	100	100	100
0.00	0.00	1.00	100	1.00	4.00	10.00	100	100	100	100	100

hem of her diaphanous gown, the young bride fought back tears of irritation. Much as she abhorred the idea of a row with her new husband on only their second day of wedded bliss, she could not imagine why he was insisting she made her way to the moonlit Raffles poolside in full evening regalia. 'Are you sure the restaurant's this way, darling?' she ventured through gritted teeth, all too aware of her husband's famously poor sense of direction. 'Only I'm not really dressed for one of your short cuts.' It was then that the tears began to flow in earnest. For there at the poolside, bathed in a soft candlelit glow, was an exquisite table à deux perfectly framed by its leafy romantic setting. Silverware gleamed in the starlight, a bottle of champagne chilled in its frosty bucket and a single red rose took centre stage on the starched white linen tablecloth. Fortunately, the Food and Beverage Manager, whose collaboration in this surprise had been essential, was personally on hand with a freshly laundered handkerchief.



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Thailand Hedges on Offer Of Guarantee to Foreigners

BANGKOK—Thailand on Thursday backed away from the money-back guarantee it announced Wednesday for foreigners who buy majority control of ailing Thai banks.

Finance Minister Tarrin Nimmanaheminda said there was a "misunderstanding" at the central bank about plans for a buy-back program. He said the idea was proposed by a foreign bank that is considering buying control of a Thai bank.

Mr. Tarrin did not name the foreign bank, though local media reported last week that Standard Chartered asked the central bank to limit its potential loss if it were to buy Nakornthon Bank PCL.

Shortly after the minister's comments, the Bank of Thailand's deputy governor, Kitti Patpongpiwat, said the offer to reimburse foreigners who might be unhappy with their investments "was being considered."

Mr. Kitti, hired by the central bank last week, said Wednesday that foreigners who

bought majority control of ailing Thai banks and finance companies could claim a full reimbursement after five years. The buy-back would be done through the Financial Institutions Development Fund, a central bank unit set up to rescue troubled lenders, he said.

"It is one of the measures being studied," after being proposed by several commercial banks, Kiti said Thursday.

Thai banks are in desperate need of new funds and are plagued with bad loans since the plunge of the Thai baht on world currency markets last year.

About a third of total Thai bank loans are classified as nonperforming, and analysts expect the figure to peak at 45 to 50 percent during the first half of next year.

The stock market reacted with disbelief to Mr. Kiti's comments, with Thai bank shares falling 4 percent by the close. The Stock Exchange of Thailand banking index finished down 4.59 points at 111.78.

(Bloomberg, Reuters)

Airlines Cut Back on Fleets

Sell-Off and Deferral of Orders Affect 170 Planes

SINGAPORE — Asian airlines struggling against declining traffic and ballooning costs have unloaded more than 170 ordered or existing aircraft since the regional economic crisis began last year, according to airline statements and industry media reports.

Either by canceling or deferring orders or by selling or returning to lessors planes already in their fleets, airlines have shed craft capable of carrying more than 40,000 passengers, the equivalent of 100 Boeing 747-400s.

Boeing appears to have suffered more cancellations and deferrals than Airbus Industrie, but both manufacturers face competition from more than 100 secondhand aircraft that the airlines or lessors have sought to place

with new operators. The three big makers of engines — Pratt & Whitney, Rolls-Royce PLC and General Electric Co. — are similarly affected.

Few aircraft orders have been canceled, presumably because sales contracts routinely include stiff penalties for cancellation. Many more have been deferred, even though deferrals are restricted, especially when delivery is imminent.

But the airlines have exploited their most flexible method of trimming capacity — putting their existing aircraft on the market or returning them to the companies they leased them from.

Cathay Pacific Airways Ltd., for example, said it had eight wide-body jets on order and planned to accept them.

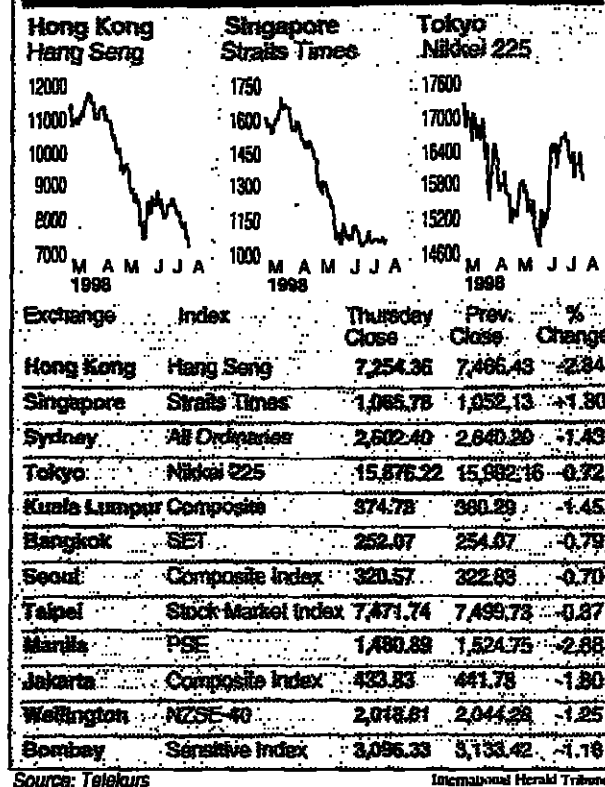
"At the moment we don't have any plans to do anything

else to our fleet except add the new ones we have got coming in," said a representative of the airline. But, she added, Cathay has pulled five old 747-200s out of service, leaving two to the British airline Virgin Atlantic Airways Ltd., and parking the other three while it looks for takers.

This process can rob manufacturers of sales just as easily as cancellation. For example, Qantas Airways Ltd. had considered the purchase of new 300-seat jets from Airbus or Boeing but apparently dropped the idea when it realized it could pick up current-model 747-400s from struggling Asian carriers.

At least 14 747s have become surplus, although most are older jets from the 200 and 300 series, which do not compete strongly with new aircraft.

Investor's Asia



Obuchi Says He'll Propose \$41 Billion Tax Cut

HIROSHIMA, Japan — Prime Minister Keizo Obuchi said Thursday that his government would propose tax cuts worth more than 6 trillion yen (\$41.68 billion) as part of its efforts to pull the economy out of recession.

That total would be in line with initial expectations, not the 7 trillion yen suggested in some recent reports. Mr. Obuchi said income-tax cuts would vary according to people's tax brackets.

"I think an across-the-board cut is the principle of it," he said, but added that the government must "give consideration to people in tax brackets suffering the most

Mr. Obuchi has previously said that tax cuts should seek to help middle-income people.

Mr. Obuchi offered no other revelations on the promised tax cuts, a key demand from Japan's trading partners and financial markets, which see a recovery of the Japanese economy as critical to helping the rest of Asia climb out of its economic slump.

Mr. Obuchi is scheduled to deliver his prescription for the economy in a policy speech to the Diet on Friday.

The prime minister is also expected to

outline the government's plan to weed out weak banks and help the survivors rid themselves of bad and risky debt.

The cabinet submitted legislation to Parliament on Wednesday that would allow the government to take over management of insolvent banks and create "bridge banks" to provide continued funding to sound banks.

All of the tax cuts will be financed by sales of government bonds, Finance Minister Kichii Miyazawa said Wednesday. The cabinet has not decided how the burden will be divided between the central and local governments, he added.

(Bloomberg, Reuters)

Hanoi Narrows Currency Band

Reuters

HANOI — Vietnam said Thursday it would narrow the trading band for its currency, the dong, to 7 percent from 10 percent, and move that bankers said could pave the way for a sizable devaluation.

A statement from the State Bank of Vietnam said the trading band decision would take effect on Friday.

The central bank sets the official dong rate daily.

The fixed, non-convertible dong has hovered at the bottom of the 10 percent band since the government allowed a downward adjustment of 5.3 percent in February.

The dong was fixed on Thursday at 11,815 to the dollar, but with the 10 percent trading band it stayed a bit under 13,000 to the dollar.

For some months foreign bankers had been expecting Vietnam to permit a small downward adjustment of the dong to boost export competitiveness and bring life back to the interbank market.

But government leaders have said repeatedly in recent months the dong would not be devalued.

But one senior official at the central bank said the market should not interpret the Thursday decision as amounting to an appreciation of the dong.

"On a call it an appreciation, depreciation, it also depends on the official rate," he said.

He declined to say if that meant the central bank would now adjust downward the official rate after narrowing the

Normally, the official rate for a particular day is made available the night before on a board of messages at the central bank. However, that message said late Thursday the rate would not be available until Friday morning.

Local bankers said the narrowing of the band was a clear sign that the central bank would devalue the dong.

One official at a local commercial bank in Ho Chi Minh City, the former Saigon, said the official rate would probably be set at a reasonable amount on Friday.

A Vietnamese executive at a foreign bank said: "The latest change in the trading band is just a game. The pivot rate could be changed accordingly tomorrow."

GERMANY: Jobless Rate Falls but Rolls Grow

Continued from Page 13

Webber, said the output data "certainly do not spell the end of the German recovery or anything like it."

Business confidence and capacity utilization remain strong, she said.

Indeed, many observers expect the pace of expansion to pick up this year.

The Organization for Economic Cooperation and Development, in its latest report from Paris, forecast a real, or inflation-adjusted, 2.9 percent expansion in 1999, up from 2.7 percent this year and 2.2 percent in 1997.

Tying to derive political momentum from the recovery, Mr. Kohl's party has plastered posters across Germany with the slogan, "New uprising, new jobs."

In his campaign speeches during the last two weeks, Mr. Kohl has pledged that unemployment will drop below 4 million by autumn. The elections will be held Sept. 27.

But the OECD undercut the chancellor's optimism in its forecast Thursday.

The 29-nation economic planning group predicts that German unemployment will rise

again this year to 4.41 million from 4.38 million in 1997, undercutting the government forecast of a drop this year to 4.315 million.

"The OECD confirms the fears of the SPD that in 1998 mass unemployment in Germany at 11.5 percent and an average 4.4 million will reach an absolute postwar record," said the economics affairs specialist for the Social Democratic Party, Ernst Schwanhold.

Pollsters said the new jobs have not multiplied quickly enough to deliver a broad-based feel-good effect.

"There is no breakthrough," said Mr. Walz, noting that past recoveries generated jobs more rapidly.

The July jobs figures continue to show an east-west split running through Germany.

Companies in the west took on new hires as export orders fattened their books and bolstered confidence.

But in the formerly communist Eastern Germany, underlying unemployment stagnated and fell only because of heavy new outlays to expand government make-work programs, said Klaus Leven, vice president of the Federal Labor Office.

MARKET: *What to Do? Sit Tight or Buy More*

Continued From Page 13

exceeded 10 percent.

Yes, scandals can affect elections, which can affect economic policy. Mr. Clinton's troubles could lead to Republicans' gaining seats in Congress this November or even the White House in 2000. But it is hard to see how that would upset Wall Street.

The rebirth of the scandal, however, may have been a catalyst. Bob Farrell of Merrill Lynch & Co., one of the best analysts in the business, warned clients July 22 of the deterioration in stocks just below the blue-chip level and said that the bull market was coming to an end. Why?

"Markets prepare to go up and prepare to go down," he wrote. "They find a trigger when they are ready."

future profits. A change in that view of the future is what causes prices to go up or down.

Right now, it appears that investors are more pessimistic about future profits, mainly because the economic crisis in Asia is beginning to affect companies based here. Worse, they see a possible recession, the first decline in U.S. growth in seven years. They are worried, as they should be.

For example, International Business Machines Corp. recently reported that its earnings for the second quarter were up a measly 5 percent after a year-gain of 17 percent in 1997 and 15 percent in 1996. While double-digit profit increases have been the norm for almost a few years, the average for last

stocks has been just 4 percent over the last three months.

If the economy is indeed weakening, what should a small investor do? The best advice is to sit tight or buy more. That is what Mr. Henderson of Chicago Trust is doing, as much as he frets about the Lewinsky scandal.

"We're not doing any selling," Mr. Henderson says. Instead, he has been buying three "steady, above-average growers": Harley-Davidson Inc., motorcycles; Ecobal Inc., maintenance services; and AES Corp., global electric power.

That could be the ticket to success — companies with strong brand names and stable profits that have been passed over, or, perhaps thanks to Monica, beaten down.

Very briefly:

- **Malaysia** is setting aside up to 3 billion ringgit (\$727.3 million) to help banks that need recapitalization. Finance Minister Anwar Ibrahim said. The amount includes the 1.5 billion ringgit that Malaysia said Tuesday that it would pump into a new body, Danamodal Nasional Bhd., to buy stakes in ailing banks and help recapitalize them.
- **Nike Inc.** plans to pull out of its manufacturing operations in the Philippines as part of global cost-cutting measures, said Melito Salazar, managing director of the country's Board of Investments, although he said his office was negotiating with Nike officials to try to convince them to stay.
- **Swire Pacific Ltd.** stock fell after the diversified Hong Kong company reported a slump in profit and cut its dividend. Swire said profit for the first six months of the year fell 39 percent, to 2.01 billion Hong Kong dollars (\$259.4 million). The shares fell 1.25 dollars, to 24.30.
- **Daewoo Motor Co.** workers have agreed to a deal to avert mass firings as the South Korean automaker attempts to

weather the economic crisis. Daewoo agreed not to dismiss workers until the year 2000 in return for a wage freeze this year and cuts in some benefit costs.

- **Coca-Cola Amatil Ltd.**, the Australia-based soft-drink bottler, posted a slightly stronger-than-expected profit for the first half, but warned that its second half would be lower because of Asia's economic problems. Earnings before extraordinary items rose 4.3 percent, to 102.3 million Australian dollars (\$62.4 million).
- **Bayer AG**, the German chemical and pharmaceutical company, agreed to set up two joint ventures to produce insecticides and other chemicals in China with Shanghai Zhongdi Pharmaceuticals. Bayer will invest 80 million Deutsche marks (\$45.2 million) and will hold 70 percent of the ventures.
- **Japan's** sales of imported vehicles dropped 19.8 percent in July, to 25,146, compared with a year earlier. That followed a 25.3 percent drop in June.

AFP, Bloombergs, Reuters

Your Guide To 126 Top French Companies **FRENCH COMPANY HANDBOOK 1998**

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 price; in indicated price; y bid price calculated 2
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The Standard

Thursday's 4 P.M.

1. **Author(s)** **Title**
 2. **Journal** **Volume** **Issue** **Year**
 3. **Page(s)** **DOI**
 4. **Keywords**
 5. **Abstract**
 6. **Notes**
 7. **References**
 8. **Comments**
 9. **Other**
 10. **Printed on** **Page** **of**

NO.	NAME	AGE	SEX	RELATION	EDUCATION	RELIGION	DATE OF BIRTH	DATE OF DEATH	PLACE OF BIRTH	PLACE OF DEATH	CAUSE OF DEATH	DATE OF BURIAL	PLACE OF BURIAL
1	JOHN J. JONES	35	M	HUSBAND	HIGH SCHOOL	METHODIST	1885	1920	INDIANA	INDIANA	HEART DISEASE	1920	INDIANA
2	MARY J. JONES	32	F	WIFE	HIGH SCHOOL	METHODIST	1885	1920	INDIANA	INDIANA	HEART DISEASE	1920	INDIANA
3	JOHN J. JONES	35	M	HUSBAND	HIGH SCHOOL	METHODIST	1885	1920	INDIANA	INDIANA	HEART DISEASE	1920	INDIANA
4	MARY J. JONES	32	F	WIFE	HIGH SCHOOL	METHODIST	1885	1920	INDIANA	INDIANA	HEART DISEASE	1920	INDIANA
5	JOHN J. JONES	35	M	HUSBAND	HIGH SCHOOL	METHODIST	1885	1920	INDIANA	INDIANA	HEART DISEASE	1920	INDIANA
6	MARY J. JONES	32	F	WIFE	HIGH SCHOOL	METHODIST	1885	1920	INDIANA	INDIANA	HEART DISEASE	1920	INDIANA
7	JOHN J. JONES	35	M	HUSBAND	HIGH SCHOOL	METHODIST	1885	1920	INDIANA	INDIANA	HEART DISEASE	1920	INDIANA
8	MARY J. JONES	32	F	WIFE	HIGH SCHOOL	METHODIST	1885	1920	INDIANA	INDIANA	HEART DISEASE	1920	INDIANA
9	JOHN J. JONES	35	M	HUSBAND	HIGH SCHOOL	METHODIST	1885	1920	INDIANA	INDIANA	HEART DISEASE	1920	INDIANA
10	MARY J. JONES	32	F	WIFE	HIGH SCHOOL	METHODIST	1885	1920	INDIANA	INDIANA	HEART DISEASE	1920	INDIANA

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Thursday's 4 P.M. Close

(Continued)

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1994	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	9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WORLD ROUNDUP



Mark Butcher celebrating after reaching a century.

England Collapses

CRICKET Mark Butcher scored 116, but his 10 teammates managed fewer than 100 runs between them as England was bowled out for 230 by South Africa on the first day of the final test in Leeds. The series is tied at 1. England reached 181 for three wickets before collapsing. (AP)

Real Joined 'Super' Talks

SOCCER Real Madrid said it had taken part in talks aimed at setting up a European Superleague. Lorenzo Sanz, the club president, told a Spanish newspaper he had discussed the competition with officials from AC Milan, Marseille and Bayern Munich.

Achmat Salie, a linesman at the World Cup final, faces sanctions in his native South Africa after he showed the same player the yellow card twice in a league match but then forgot to send him off.

The English Premier League is the richest in the world, according to a Thursday report by the accounting firm Deloitte & Touche.

It calculated that the Premier League grossed £464 million (\$754 million) in the 1996-97 season, compared with £377 million by Italy's Serie A, £232 million by Spain's Primera Liga, and £209 by France's Division One. German clubs were excluded because of a lack of comparable data. (Reuters)

Angels Discard Fielder

BASEBALL Cecil Fielder, one of the most prolific home run hitters of the '90s, was designated for assignment by Anaheim. Fielder, 34, was hitting .241 with 17 homers. (AP)

NBA and Players Meet

BASKETBALL The National Basketball Association and its players met Thursday for the first time since June 22 for talks on the lockout.

Billy Hunter, the director of the NBA Players Association, said Wednesday that a majority of Women's NBA players have agreed to form a union. (AP)

FINA Bans Smith From Swim Meets For 4 Years

The Associated Press

LAUSANNE, Switzerland — Michelle Smith-De Bruin, who won three swimming gold medals in the Atlanta Olympics, was banned from swimming competition for four years Thursday after being found guilty of tampering with a urine sample.

The International Swimming Federation, FINA, ruled that Smith manipulated an out-of-competition drug test by spiking her sample with a lethal concentration of alcohol.

The presence of alcohol, which the doping lab found was "in no way compatible with human consumption," suggested a possible attempt to mask the presence of any banned drugs.

Although the Irish swimmer escaped the maximum penalty of a life ban, a four-year suspension would effectively end her career. Smith is 28 and would miss the 2000 Sydney Olympics and the 2001 world championships in Fukuoka, Japan.

The ban goes into effect immediately. Smith is believed to be the first world-class athlete ever suspended for manipulating a urine test, as opposed to testing positive for a banned substance.

Smith's lawyer, Peter Lennon, said he would not comment on the ruling until a news conference Friday.

The statement said Smith was banned under two rules — one covering a competitor who "uses or takes advantage of a banned procedure" and the other for "use of substances and methods which alter the integrity and validity of urine samples used in doping control."

Smith, who says she has been tested more often than any other international



Michelle Smith-De Bruin celebrating a victory at the Atlanta Olympics.

swimmer, underwent an out-of-competition urine test Jan. 10 in Kilkenny County, Ireland.

Two doping control samplers were present while Smith provided the sample. The lab said the sample had a "very strong whiskey odor."

The federation said Thursday that its investigation found that the urine was "manipulated by the swimmer."

Cycling Incidents Reviewed

Officials of the International Cycling

Union and organizers of major races met Thursday to discuss the scandal-tainted Tour de France, Agence France-Presse reported from Paris.

The officials of the group, known as UCI, held four hours of discussions with race organizers, but there was no statement after the meeting.

"The UCI will make several important decisions over the next few weeks," said the race director of the Giro d'Italia, Carmine Castellano. "It was not a question of finding solutions today."

In Home of World Cup, Domestic Duty Restarts

French League Opens Without Stars

By Christopher Clarey
International Herald Tribune

PARIS — The majority of French soccer players return to work on Friday and Saturday as their domestic league begins a new season. But the majority of the French players who won the World Cup will be elsewhere.

Fourteen of the 22 young men who cavorted about the Stade de France after beating Brazil less than a month ago work abroad, in cities such as Turin, London, Madrid and Munich.

French players have been popular abroad since the 1980s, but the exodus has gathered pace since the Bosman ruling set free-market forces in motion in 1995. If the domestic leagues in England, Italy and Spain are better for the movement, the French league is not.

Never the deepest in Europe, it is a poor relation to its neighbors, with their larger television contracts, more sophisticated marketing schemes and lower national rates of taxation.

Of the 11 French who started the final against Brazil, only goalkeeper Fabien Barthez, he of the bald and talismanic pelt, will play in the French first division this season, but he, along with young strikers Thierry Henry and David Trezeguet, plays in the principality of Monaco.

It will be an odd and potentially deflating homecoming for those three.

After performing in front of 80,000 fans in the Stade de France and waving to hundreds of thousands more as they traveled the Champs-Élysées in the team's open bus, they will return to Stade Louis II in Monaco, which has only 20,000 seats and rarely fills half.

"I knew that the risk of being disappointed after coming back to Monaco existed," Trezeguet said last week. "That's why I spent my ten days of vacation preparing myself mentally."

The vacations were indeed brief for the "champions du monde," and in a sport where the physical demands are ever greater, their biggest challenge this season may not be scoring goals, or in the case of Barthez, denying them. It may be staying healthy and motivated.

"They are going to have very little time to recover," said Arsene Wenger, the coach of Arsenal, the English Premier league champion, of his two fellow Frenchmen, Emmanuel Petit and Patrick Vieira. "But I'm more concerned about their state of mind after having gone through something so emotional. Sometimes victory can make you lazy. That's why one must be very vigilant."

The good news for the six weary world champions who play in Italy, including Zinedine Zidane and the captain, Didier Deschamps, is that Serie A does not begin until mid-September.

Despite the absence of these big draws, there is reason for the French league to feel encouraged. In the last two years, with the World Cup looming, many of the nation's stadiums have been either enlarged or modernized. This, league officials hope, will make them more attractive, especially to the surprisingly large number of women who caught the soccer virus this summer while following Les Bleus.

"Our stadiums are too good now to be left empty," said Noel Le Graet, the

WHERE THE 22 WORLD CHAMPIONS PLAY

Fabien Barthez	Monaco (France)
Bernard Lama	Paris-Saint Germain (France)
Lionel Claret	Glasgow Rangers (Scotland)
Didier Deschamps	Cheltenham (England)
Emmanuel Petit	Cheltenham (England)
Patrick Vieira	Cheltenham (England)
David Trezeguet	Monaco (France)
Christophe Dugarry	Monaco (France)
Robert Pirès	Monaco (France)
Stephane Gervais	Newcastle (England)
Bernard Diomède	Arsenal (France)

French league president. "The World Cup has changed people's perception of soccer in France. The image of the sport already improved in recent years but the Cup helped us gain five years in a hurry. We would not have had all these stadiums without it."

L'Olympique Marseillais, the club with the largest following in French soccer, has doubled its number of season ticket holders to approximately 35,000. Smaller clubs, such as Lens, last season's surprise champion, also have experienced significant jumps.

Lens will enter the European Champion's League. Metz, last season's equally surprising runner-up, could also qualify to face the likes of Barcelona, Juventus and Arsenal.

Both last important players in the off-season, but when Robert Pires left Metz, he elected to stay in France rather than follow his World Cup teammates abroad. The attacking midfielder was transferred to Marseille for 60 million francs (\$10 million).

It was a triumph for the French league and one of several signs that the talent drain is slowing. Despite myriad rumors, Monaco kept Henry and Trezeguet along with star Nigerian striker Victor Ikpeba, and perhaps most significantly, its coach, Jean Tigana.

Tigana was the first choice of the French Football Federation to replace Aime Jacquet as national coach, but Jean-Louis Campora, the Monaco club president, refused to allow Tigana to break the two-year contract he signed in February.

Instead, after a lengthy and not terribly reassuring delay, the federation elected to hire Jacques World Cup assistant, Roger Lemerre, in late July.

Lemerre, like Jacquet, is a 50-something technician with ample experience as both a player and coach in the French league. Although his name will stir precious little recognition outside France, he has been on the staff of the national technical director since 1986 and is well-respected by his players and colleagues. But even if he manages to lead France to victory in Euro 2000, he never will be able to repeat what Jacquet, now national technical director, accomplished. You only win the World Cup for the first time once.

"I'm well aware," Lemerre said, "that nothing will be the same again in French soccer. But that's no reason to turn down a good job."

'Fore!' Some Golfers Glory in the Drive

By Ron Dicker
New York Times Service

Ralph Di Pietro traveled for four hours from Toronto to a driving range in Cicero, New York, for this moment. A zephyr was pushing the flags to attention at the mobile home dealer's across the street. The sky was clearing after a morning thunderstorm. The conditions were such that if the collision of titanium and ball was exactly right, Di Pietro would launch his best shot.

Di Pietro repeatedly bent himself into a pretzel-like shape with an exaggerated backswing and whipped the club from his heels. The balls sprayed everywhere except straight and far.

"At any time, anyone can win it," he said.

This is a weekend routine for Di Pietro, a former minor-league hockey player who satisfies his competitive urges by entering long-drive contests.

Di Pietro's wife, Debbie, with paperback in hand, planted a lawn chair near the tee for what would be an all-day affair. She would follow him the next week to another long-drive contest in Los Angeles.

"I don't want to miss out if he ever does crank it," she said.

Tournaments for distance-hitting have flourished on the fringe of the golf boom.

"Everybody wants to see the big hitters," said Randy Souza, co-owner of the Long Drivers of America. "People will follow John Daly and Tiger Woods around even if Corey Pavin is winning."

No one is a better long driver than Jason Zuback. He is a 5-foot-10-inch (1-meter-78-centimeter), 215-pound (98-kilogram) power lifter from Drayton Valley in Alberta, Canada. Zuback has twice won long-drive championships and consistently hammers the ball more than 400 yards (366 meters). Many pros would leap out of their cleats at the thought of driving the ball even 300 yards.

The club head of choice is made of titanium. The shaft is graphite and often longer than that of conventional drivers. The players come in all sizes. Taller athletes naturally generate more leverage, while the shorter hitters like Zuback compensate with strength training to increase their club velocity.

"Imagine Arnold Schwarzenegger with a golf game," said Brian Ciampichini, organizer of the contest in Cicero, New York.

Zuback has become such an attraction that he has given up his job as a pharmacist to give exhibitions. Purists may snuff, Zuback said by telephone, but "typically, they're the people who can't hit it very far."

At the recent gathering in Cicero, Bob Gilkey, 71, braved six hours of sauna-like heat to see the hopefuls take their whacks.

"I like to watch guys who do things you can't do," he said. Three hours into the competition, Gilkey got what he came for. Craig Mabey, who owns an indoor golf range in nearby Binghamton, crushed a ball that disappeared into the ether. Mabey dropped his club in disbelief. "Keep going," he said. "It's out of the airport."

Officials found the ball nestled in a patch of goldenrod. The measurement: 341 yards 1 foot 2 inches (312 meters 17 centimeters). It was no Zuback, but it was enough to send Mabey to the district finals.

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

TEAM	W	L	Pct.	GB
EAST DIVISION				
New York	60	29	.674	—
Boston	56	35	.615	1 1/2
Baltimore	56	35	.615	1 1/2
Tampa Bay	56	35	.615	1 1/2
CENTRAL DIVISION				
Cleveland	53	38	.582	—
Minnesota	51	40	.561	2 1/2
Kansas City	51	40	.561	2 1/2
Chicago	49	42	.538	4 1/2
Detroit	46	45	.506	7 1/2
WEST DIVISION				
Texas	61	31	.665	—
San Diego	59	33	.641	2 1/2
Los Angeles	57	35	.617	4 1/2
Seattle	50	42	.545	11 1/2
NATIONAL LEAGUE				
EAST DIVISION				
Atlanta	75	29	.720	—
New York	69	35	.662	6 1/2
Philadelphia	57	47	.549	18 1/2
Montreal	46	58	.443	30 1/2
Florida	41	74	.354	35 1/2
CENTRAL DIVISION				
Houston	68	46	.596	—
Chicago	64	51	.557	4 1/2
St. Louis	57	58	.493	11 1/2
Cincinnati	51	64	.441	17 1/2
Pittsburgh	51	64	.441	17 1/2
WEST DIVISION				
San Diego	74	40	.649	—
San Francisco	62	52	.544	12 1/2
Los Angeles	58	56	.509	16 1/2
Colorado	51	63	.447	23 1/2
Arizona	43	71	.377	31 1/2

WEDNESDAY LEADERS

Detroit	000 001 000-1 5 1
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AMERICAN LEAGUE LEADERS

TEAM	W	L	Pct.	GB
EAST DIVISION				
New York	60	29	.674	—
Boston	56	35	.615	1 1/2
Baltimore	56	35	.615	1 1/2
Tampa Bay	56	35	.615	1 1/2
CENTRAL DIVISION				
Cleveland	53	38	.582	—
Minnesota	51	40	.561	2 1/2
Kansas City	51	40	.561	2 1/2
Chicago	49	42	.538	4 1/2
Detroit	46	45	.506	7 1/2
WEST DIVISION				
Texas	61	31	.665	—
San Diego	59	33	.641	2 1/2
Los Angeles	57	35	.617	4 1/2
Seattle	50	42	.545	11 1/2

NATIONAL LEAGUE LEADERS

TEAM	W	L	Pct.	GB
EAST DIVISION				
Atlanta	75	29	.720	—
New York	69	35	.662	6 1/2
Philadelphia	57	47	.549	18 1/2
Montreal	46	58	.443	30 1/2
Florida	41	74	.354	35 1/2
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St. Louis	57	58	.493	11 1/2
Cincinnati	51	64	.441	17 1/2
Pittsburgh	51	64	.441	17 1/2
WEST DIVISION				
San Diego	74	40	.649	—
San Francisco	62	52	.544	12 1/2
Los Angeles	58	56	.509	16 1/2
Colorado	51	63	.447	23 1/2
Arizona	43	71	.377	31 1/2

THURSDAY RESULTS

TEAM	W	L	Pct.	GB
EAST DIVISION				
New York	60	29	.674	—
Boston	56	35	.615	1 1/2
Baltimore	56	35	.615	1 1/2
Tampa Bay	56	35	.615	1 1/2
CENTRAL DIVISION				
Cleveland	53	38	.582	—
Minnesota	51	40	.561	2 1/2
Kansas City	51	40	.561	2 1/2
Chicago	49	42	.538	4 1/2
Detroit	46	45	.506	7 1/2
WEST DIVISION				
Texas	61	31	.665	—
San Diego	59	33	.641	2 1/2
Los Angeles	57	35	.617	4 1/2
Seattle	50	42	.545	11 1/2

THURSDAY RESULTS

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Philadelphia	57	47	.549	18 1/2
Montreal	46	58	.443	30 1/2
Florida	41	74	.354	35 1/2
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Houston	68	46	.596	—
Chicago	64	51	.557	4 1/2
St. Louis	57	58	.493	11 1/2
Cincinnati	51	64	.441	17 1/2
Pittsburgh	51	64	.441	17 1/2
WEST DIVISION				
San Diego	74	40	.649	—
San Francisco	62	52	.544	12 1/2
Los Angeles	58	56	.509	16 1/2
Colorado	51	63	.447	23 1/2
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TEAM	W	L	Pct.	GB
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Philadelphia	57	47	.549	18 1/2
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Houston	68	46	.596	—
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Arizona	43	71	.377	31 1/2

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EUROSPORT

POSTCARD

A 1945 Beaujolais?

By Frank J. Priol
New York Times Service

ROMANCHE-THORINS, France — In Georges Dubouef's Beaujolais museum here there is a fading pre-World War I photo of mustachioed workers posing at a local manganese mine with their picks and shovels.

The mine and miners are long gone, but the manganese remains in the soil, extracted these days almost exclusively by grape vines. It is the mineral that gives long life to the most important local wine, Moulin-a-Vent, the king of Beaujolais.

I visited to take Dubouef up on his claim that, despite what the books say, not all Beaujolais is meant to be drunk young and that, in fact, some can have long, distinguished lives. Especially Moulin-a-Vent.

Beaujolais is one of the world's most popular wines. Some 15 million cases of it are produced every year, almost all of it consumed by the time the next vintage rolls around.

Most of this river is simple Beaujolais or the slightly fuller Beaujolais Villages — fresh, fruity wines, definitely meant to be drunk young. In some years, as much as half of all simple Beaujolais may be sold as Beaujolais nouveau, bottled less than three months after the grapes are picked. About 25 percent of each vintage consists of 10 "cru" wines, which carry the names of the towns or areas from which they come. These are the finest Beaujolais; richer in flavor, higher in alcohol, and longer lasting. They are: Brouilly, Cotes de Brouilly, Chénas, Chiroubles, Fleurie, Julienas, Morgon, Régnié, St. Amour and Moulin-a-Vent.

Dubouef says that not all Beaujolais is meant to be drunk young. It would seem reasonable to have had the tasting somewhere in Moulin-a-Vent but there is no town of Moulin-a-Vent. The special soils that produce Moulin-a-Vent are found in both Chénas and Romancé-Thorins. The wine takes its name from a 15th-century windmill that is still standing.

At the turn of the century, the villagers of Romancé-Thorins and of Chénas fought constantly, accusing each other of mislabeling their wines. In 1924, the courts finally fixed the limits of Moulin-a-Vent, spanning both towns.

The wine of Moulin-a-Vent has little in common with the wines of the more southerly Beaujolais communes, even though it is made from the same grape, the gamay. This is due to the rich soil, to different vinification techniques and, in some instances, to barrel aging.

Most Beaujolais is made by a technique called carbonic maceration. The hand-picked grapes are not crushed, but are placed in vats. Grapes at the bottom burst because of the weight. That juice begins to ferment, warming the vat and causing fermentation inside the unbroken grapes.

Eventually all the grapes break open and the skins float to the top. They are pumped over several times a day except in Moulin-a-Vent where racks hold them under the surface of the new wine. This slows down the fermentation, extracting even more flavor, color and tannins. The result is a wine ready for barrel aging and a long life thereafter.

At a table set out under the great plane trees in Chénas, we began to work through a series of Moulin-a-Vents. Starting with a 1997, hardly ready to drink, we tasted back through wines from 1995, 1990, 1985, 1975, 1973, 1947 and 1945.

The wines were Dubouef's except for the two or three oldest. They were from a competitor, Chateau Des Jacques, a Moulin-a-Vent producer in Romancé-Thorins. It was recently purchased by Maison Louis Jadot, a Burgundy firm seeking a foothold in Beaujolais.

Accepted wisdom holds that as Beaujolais gets older it begins to resemble Burgundy. Discussing Moulin-a-Vent a few years ago, the English wine expert Clive Coates wrote: "This is absolute rubbish."

Dubouef disagrees. "Tasted by itself, an old Beaujolais, especially one aged in wood, could appear to be Burgundy," he said. But he added that if an aged Beaujolais and a Burgundy were placed side by side and tasted, a wine aficionado would discern the difference.

Dubouef, 65, has been making Beaujolais for most of his life. Drawing on some 400 growers and 13 cooperatives, he annually produces about 10 percent of all Beaujolais, including about six different Moulin-a-Vents, several of which are all or partially aged in oak barrels. Just like Burgundy.

As our tasting showed, good old Beaujolais can be very good indeed. The 1985 was still young, and the wines from the 1970s were at the peak of their maturity. The wines from the 1940s (50-year-old Beaujolais) were undoubtedly old but they had fruit, good acid, richness and a lovely bouquet. They still displayed the uncomplicated charm of fine Beaujolais, faded but unmistakable.

I would have given the 1945 a few points over the 1947 had anyone asked me. No one did. Who quibbles when such rare and memorable wines are to be savored on a shady country terrace on a summer day?

'Solid Gold Hero': A Re-evaluation of Lindbergh

By Dinitia Smith
New York Times Service

NEW YORK — Charles Lindbergh's flight across the Atlantic in 1927, cotton wool in his ears, a mirror stuck to his plane with gum, lasted only 33 and a half hours. But when he landed in Paris, he was compared to Jesus and to the mythical hero Icarus, who flew too close to the sun — only Lindbergh had survived.

"He was the first modern media superstar," said A. Scott Berg, author of "Lindbergh," an exhaustive new biography, nine years in the making, that will be published in September. Lindbergh lived on as a blue-eyed symbol of American innocence, an image that was later sullied by his troubling statements about Jews even as Nazi persecution grew in Germany.

Lindbergh and his wife, the author Anne Morrow Lindbergh, seemed to have an ideal marriage. Berg, the first writer to be given unrestricted access to Lindbergh's papers by his family, discovered a more complex picture. Mrs. Lindbergh is 92 and lives in Connecticut.

"A lot of Lindbergh's behavior took my breath away," said Berg. The author of "Max Perkins: Editor of Genius" and "Goldwyn: A Biography," he was capable of astonishing coldness toward his family, with moments of sadistic behavior. He could not express his grief over his son's kidnapping and death and insisted that his wife cry in private.

But in the end, Berg said, he admired the man. "He performed a death-defying deed. He never cheapened himself by selling out. In fact, he kept making his life one of purpose. For us living in a tiny age of celebrity, here is a solid gold hero."

Lindbergh is an immense subject for any biographer. "It was America's moment in the sun," Berg said of Lindbergh's triumph. "He was brave, young, extremely handsome. There was not a bad photograph to be taken of him. It was the moment when the media exploded. They had talking pictures, the radio could spread news." He became, Berg writes, "a blank screen onto which each person projected his own best images of man."

Lindbergh is a figure Americans can never quite let go of. Berg lived Lindbergh's life, visiting his ancestral farm in Sweden, lying in the bed he used in Paris, digging through his nearly 2,000 boxes of papers at Yale. "Lindbergh was full of surprises for me," Berg said, "the extent to which he did med-



Charles Lindbergh's biographer, A. Scott Berg, with a bust of the aviator.

ical research," for instance. "I was not aware of the full extent of his contributions to rocketry and conservation. He wrote six books and won a Pulitzer and became a wonderful writer. I didn't realize the breadth and depth of his interests."

The revelations began with Lindbergh's childhood. "He made it seem like Huck Finn on the Mississippi," Berg said. But Lindbergh "had a very lonely, isolated childhood, much of it spent in Washington," where his father, C.A. Lindbergh Sr., was a congressman from Minnesota. "His father was always trying to make a man out of him. He teased him to tears."

Lindbergh's parents, Berg said, "were locked in a bitter marriage." His mother, Evangeline Lodge Land, had rages and was probably mentally ill. Mother and child were close. When he went to the University of Wisconsin, she lived with him. At age 25, Lindbergh had still never dated.

The emotionally stunted young man was drawn to aviation partly, Berg writes, because "aviation created a brotherhood of casual acquaintances — people constantly coming and going — in which he felt comfortable."

After Lindbergh became the first man to fly solo across the Atlantic nonstop, he grew

wealthy. He was an adviser to the precursor of TWA and to Pan American World Airways. Anne Morrow's teacher, Mina Curtiss, said that had it not been for the flight, Lindbergh would "be in charge of a gasoline station on the outskirts of St. Louis."

In 1929, Lindbergh married Anne Morrow, the daughter of Dwight Morrow, a partner of J.P. Morgan and ambassador to Mexico. In 1930, Charles Jr. was born.

Berg interviewed the baby's nurse, Betty Gow, in Scotland, who described "that little bit of sadism" in Lindbergh. Following upper-class custom, the Lindberghs left the baby for long periods, and on one return, Berg said, he did not recognize them. To toughen him, Lindbergh put him in his playpen outdoors and let him cry, in a sense repeating his own father's behavior.

From the birth, there had been kidnapping threats. As is well known, on March 1, 1932, Gow discovered his crib empty. A kidnapper's note was found. Lindbergh tried frantically to negotiate a release. But the baby was found dead, apparently dropped by the kidnapper as he climbed down a ladder. Berg reveals intimate details of Lindbergh's behavior during this time. "Anne Lindbergh never once saw her husband cry," he writes. "That is the most devastating line in the

book," Berg said. Eventually a carpenter, Bruno Richard Hauptmann, was convicted of "the crime of the century," and executed.

Some speculated that Hauptmann was innocent. Berg said he began hoping to clear him. "That would have been news." But he read through police reports and interviewed Hauptmann's widow, Anna, and believes Hauptmann was guilty. "There was a mountain of evidence," Berg said, including the ladder traced to Hauptmann, experts' testimony on the ransom notes and serial numbers on money Hauptmann spent.

The Lindberghs fled to Europe and had five other children.

The most controversial part of Lindbergh's life began when he came under the influence of Alexis Carrel, a Nobel Prize-winning doctor and physiologist with whom he developed a tissue perfusion pump to keep organs alive outside the body. Carrel believed in voluntary sterilization and eugenics and that "the most highly civilized races" are white.

During the 1930s, Lindbergh inspected the Luftwaffe, which he believed would be a key element in a German victory in war. The Lindberghs were entertained by Goering, and Lindbergh received the Service Cross of the German Eagle. In a letter written in 1937, Lindbergh said Hitler was "undoubtedly a great man, and I believe has done much for the German people."

In 1939, the Lindberghs returned to the United States. Lindbergh joined the group America First, which opposed involvement in the European war. In a famous speech in Des Moines, Iowa, in 1941, Lindbergh said: "It is not difficult to understand why Jewish people desire the overthrow of Nazi Germany."

"The persecution they suffered in Germany," he went on, "would be sufficient to make bitter enemies of any race."

But he continued: "Their greatest danger to this country lies in their large ownership and influence in our motion pictures, our press, our radio and our government." Some of his writings were edited to soften his opinions.

Berg, who is Jewish, said: "The anti-Semitic material was less than I expected. If the definition of an anti-Semite is someone who hates Jews, then he was not anti-Semitic. If anti-Semitism means viewing Jews as different, as other than American, as the Other, then yes, he was anti-Semitic." Berg added: "Lindbergh certainly bought into traditional anti-Semitic stereotyping of Jews controlling the media and exerting undue influence."

PEOPLE

THE New York town house of the pop artist Andy Warhol, where he lived until his death in 1987, was designated a "cultural landmark" by a nonprofit architectural group. The ceremony designating the house a landmark lasted precisely 15 minutes, in homage to the artist's proclamation that "everyone will be world famous for 15 minutes."

Archaeologists in Athens have come between Calvin Klein and the fashion shows he wanted to stage at two of the city's most treasured ancient sites, including the Agora. Klein's idea was rejected. "Only artistic shows are allowed at the sites, and a fashion show is not an artistic show," said Mary Pandou, director of the archaeological sites for the Central Archaeological Committee.

It wasn't a grudge match, though Debbie Reynolds called it a sad ending: The World Wrestling Federation has bought her bankrupt hotel-casino in Las Vegas for \$9 million. Reynolds, 66, a

movie star for a half century, appeared upset by the sale figure. "They bought a property for \$9 million that was worth \$22 million," she said, adding, "This is a sad ending to a lot of hard work and special dreams."

Some 100 admirers of Marilyn Monroe gathered Wednesday in a Los Angeles cemetery to mark the 36th anniversary of the actress' death. "Marilyn touches all of us in some way through her spirit," said Greg Schreiner, founder and president of the Marilyn Remembered fan club. The annual event began 16 years ago.

A rare Gibson Sunburst guitar that the rocker Jimi Hendrix used on the single "All Along the Watchtower" sold in London for \$32,600, topping the bidding at a musical auction. Hendrix's guitar had been expected to fetch double that price at the sale, at which one of Eric Clapton's guitars went for \$8,000. Acetates of Elvis Presley's first record-

ing sessions in 1954 achieved record prices. Presley's "That's All Right (Mamma)" fetched \$27,000.

Glenn Close and Marisa Tomei will be joined by actresses from Bosnia-Herzegovina in a production of Eve Ensler's play "Necessary Targets," the story of women traumatized by the war in the former Yugoslavia, on Saturday at the National Theater in Sarajevo.

Editor's Note: Prince Ernst August of Hannover has issued a formal denial of an account published in our People column on Aug. 5, which said he had been fined for beating a photographer who was trying to take pictures of him with Princess Caroline of Monaco. We publish his denial in accordance with Article 13 of the French law of July 29, 1881. The German court hearing the case agreed to drop the charges provided the prince paid the equivalent of \$50,800 to two charitable organizations and to the state of Lower Saxony.



THEY CAME TO PLAY — The artist formerly known as Prince being mobbed by fans as he and his wife, Mayte Garcia-Nelson, arrived in Malaga, Spain.



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